

## **Formation of Skål International Club in Vietnam**

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<p>This paper presents a project plan of Skål International Vietnam as a new joining club, with the purpose of forming a new Skål International club in Vietnam. The idea was born in September, 2011 during the 72nd Skål International World Congress in Turku, Finland, where the author – a Young Skål had invited to attend .</p> <p>Vietnam situated in the peninsula of South-East Asia, the country holds great potentials of nature, culture and human power for tourism growth. In spite of joining an International Association of Travel and Tourism Professionals, it might open opportunities for the tourism industry, corporate friendships and education, especially bringing the country's image to nearly 90 states members of Skål.</p> <p>The objective of this thesis is to introduce the case of how and why Skål International – as a NGO should be in Vietnam.</p> <p>The study was conducted based on literature reviewing by applying benchmark method, consisting of the data collection from the official documents of Skål International administration, and PESTLE analysis. It is also in-depth consulted and helped by Mr. Kari Halonen – President of Skål International Club Helsinki, Mrs. Ana Maria Vera – Secretariat and Translation of Skål International heard-quarter in Spain and Mr. Graham Blakey – former Director Special Projects Asia from Macau.</p> <p>For many developing countries, tourism is becoming a major ingredient of the economy. Efforts are being made to preserve the attractions and market the destinations appropriately to global tourism industry. From the study, the author suggests management board of Vietnam tourism should focus on aspects of destination branding marketing, including Vietnam's tourism image, designing operational advertisement to raise brand awareness, applying into ICT, set up government program in order to promote and boost travel and tourism industry by co-operating with international tourism associations and organisations.</p>	
<b>Keywords</b> Skål International Club Vietnam, Vietnam Travel and Tourism Industry, VUFO, Benchmarking, NGOs in Vietnam, Strategic Organizational Marketing Plan	

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## Abbreviations

AFSC	American Friends Service Committee
A.I.S.C	Association International des Skål Club
APEC	Asia Pacific Economic Organization
ASEAN	Association of Southeast Asian Nations
B2B	Business to Business
BINGO	Business-oriented International Non-Governmental Organization
CIDSE	Catholic International Cooperation for Development and Solidarity
COMINGO	Committee for Foreign NGO Affairs
CPI	Consumer Price Index
CWS	Church World Service
DIY	Do It Yourself
DOLISA	Department of Labor, War Invalids and Social Affairs
ECPAT	Eradicate Child Prostitution and Trafficking
ENGO	Environmental Non-Governmental Organization
EU	European Union
FDI	Foreign Direct Investment
GCOP	Government Committee for Organization and Personnel
GDP	Gross Domestic Product
GONGO	Government-operated Non-Governmental Organization
GoV	Government of Vietnam
GSO	General Statistics Office of Vietnam
HCMC	Ho Chi Minh City
HR	Human Resources
IATA	International Air Transport Association

ICT	Information and Communication Technology
IIPT	International Institution for Peace through Tourism
INGO	International Non-Governmental Organization
ITDR	Institute for Tourism Development Research
MCC	Mennonite Central Committee
MMA	Mobile Marketing Association
MOCST	Ministry of Culture, Sports and Tourism
MOET	Ministry of Education and Training
MOFA	Ministry of Foreign Affairs
MOPS	Ministry of Public Security
MPI	Ministry of Planning and Investment
NARV	Nordic Assistance to Repatriated Vietnamese
NGO	Non-Governmental Organization
NPO	Non-Profit Organization
ODA	Official Development Assistance
OECD	Organization for Economic Co-operation and Development
OMPP	Organizational Marketing Plan Process
PACCOM	The People's Aid Coordinating Committee
PATA	Pacific Asia Travel Association
PESTLE	Political – Economic – Social – Technological – Legal – Environmental
PM	Prime Minister
PPC	Pay per Click
PR	Public Relations
Q&A	Questions and Answers
R&D	Research and Development
RINGO	Religious International Non-Governmental Organization
SEM	Search Engine Marketing
SEO	Search Engine Optimization
SMEs	Small and Medium Enterprises
SPAM	Sending Persistent Annoying Email
SPF	Secours Populaire Francais – French Relief Organization

SREs	Social Relief Establishments
STO	Scientific and Technological Organizations
SWOT	Strengths – Weaknesses – Opportunities – Threats
UK	United Kingdom
UN	United Nation
UNDP	United Nations Development Programme
UNFPA	United Nations Population Fund
UNWTO	United Nations World Tourism Organization
US	United States
USD	United States Dollars
VAT	Value-Added Tax
VITA	Vietnam Tourism Association
VN	Vietnam
VNAT	Vietnam National Administration of Tourism
VND	Vietnam Dong
VUFO	Vietnam Union of Friendship Organizations
WOM	Word of Mouth
WTO	World Trade Organization
WTTC	World Travel and Tourism Council



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# 1 Introduction

Nowadays, travel and tourism industry become an essential demand and a dispensable part of modern life, which is one of the most significant industries all over the world. Global tourism represent over 9% GDP (direct, indirect and induced impact), 6% of the world exports and generates over 1.3 trillion USD. One in eleven jobs globally is in tourism. Significantly, it plays an important role in fostering the global economic growth and brings developments of many sectors such as property, transportation, hospitality, investment, reaction, service and especially open opportunities for building relationships and co-operate between organizations and among countries. (UNWTO 2013.)

During the 20<sup>th</sup> century, globalization gave rise to the importance of NGOs. Many problems could not be solved by the local government within the nation with the issues of humanitarian, aid, charity, environment protection, tourism and sustainable development, .etc. International organizations and international treaties as the UN-WTO, WHO, WTTC, as well as Skål International were supposed to be as the centers of concern of capitalist creativities.

In the past ten years, Vietnam became one of the fastest growing economies in Asia, GDP remaining 7-8 % annually. INGOs have been providing assistance to Vietnam for over 50 years, and it is able to understand the important role and significant for Vietnam's development today. Obviously, with a growth like this, there is a need for effective tourism promotion.

Tourism industry brings huge potentials opportunities in the country's development process, not only economically-wised but also offering different ways to develop the regions. As the image of a country, it acquires careful planning in order to benefit all parties: the tourism industry itself, the companies and organization involved, the tourist and the destination. In addition, more and more NGOs like Skål International are offering alternative products that support the GoV, the local community in tourism promotion opportunities. It is also considered as a door opened for bringing image of the country worldwide.

Why does government marginalize the benefits of tourism? Mrs. Karine Coulanges – Skål International World President stated:

“As the world’s economies see the first shoots of growth and confidence after six years of turmoil, it is timely to remember that tourism was one of the only sectors to see growth during that time and like all industries it will continue to need forecasting and care to ensure this growth continues and not policies of additional taxation for short term gain.” (Coulanges 2013.)

Indeed, the tourism of Vietnam relies greatly on the stagnant, un-stable, centrally planned traditional it makes it even more important to have short term and long-term plans to preserve the attractions and to guarantee the maintenance of tourism practices. Government policies for tourism should be acknowledged in both legal procedures, and implementing strategic plans as a sustainable development industry.

The thesis introduces strategic organizational marketing plan process and organizational problems of NGOs, current situation of Skål International, the main strengths and positive aspects as well as the weaknesses of the organization. The thesis also take a closer look Skål International is about; its history, mission and objectives, the values of it as well as the way of planning a project in Vietnam.

The inspiration for writing this thesis was brainstormed after the writer had invited to attend the 72<sup>nd</sup> Skål International World Congress 2011, Turku, Finland. There were interests towards different aspects of promoting tourism, especially in Vietnam. The curiosity towards the actions taken by the GoV trying to assure the sustainability of tourism practices, and investment and development co-operation strategies in Vietnam have been the biggest motivators of this thesis.

The theoretical framework in this thesis concentrates on strategic marketing plan with e-marketing, social media platforms for promoting the project, and PESTLE analysis

focus on Vietnam tourism industry, which generally based on the information and legal procedures' guidelines of VUFO and VNAT.

## **1.1 Research objectives**

An objective is what you want to achieve and accomplish with a project.  
(Kidasa 2012.)

The objective of this study is to build the whole process of forming a tourism organization in Vietnam by following the rules and guidelines of the Skål International, under local government legal procedures. This study also investigates the organizational marketing communication process before planning the marketing communication to fit its marketplace after the research.

The purpose for this research is to help Skål International Club Vietnam before its establishment has a more effective marketing communication plan as a whole and to explore new ideas and ways of communicating under an international organization standpoint.

Materials on knowledge management in NGO is scarce, meaning it may be challenging to apply some of the rules and guidelines of the Skål International to the case in the country where the government system seems problematical and complicated for foreign investors, especially foreign NPOs and NGOs who want to operate or start new challenges there.

After analyses contact information of local authorities and government agencies, the study aims to achieve the establishing of good network between travel and tourism organizations to promote sustainable tourism, business development and education, and tourism network that will connect Vietnamese travel trade with international counter partners and international travel and tourism.

## **1.2 Research problems**

In general, travel and tourism industry plays an important role for the economies in certain developing countries as Vietnam. Consequently, the keys finding in this re-search is aimed to find out what is the role of the tourism organization of the industry to the economy currently, in the past, and in the future.

Accordingly, the questions and problems can be defined as specific research question: How to promote a tourism organization in Vietnam as a NPO?

From the main question, this project will also investigate: Why Skål International should be in Vietnam? By answer the following question:

- What are the opportunities and challenges in travel and tourism industry of Vietnam?
- How to operate/starting a NGO in Vietnam?
- What are the organizational problems of NGOs, and the solutions?

## **1.3 Structure of the research**

This research is composed of nine chapters. It starts by giving an overview, which introduces the research objectives, problems and the structure of the research.

The second chapter presents an impression of Vietnam from travel and tourism point of view with opportunities, challenges, and solution afterward. By using PESTLE analysis tools, this chapter also find out more matters relating the economy, social-culture, and legal procedures issued by GoV under government agencies system, and local authority.

Chapter 3 reviews activities of NGOs in Vietnam and types of NPOs as well as a guidance of how to start an INGO in Vietnam by consulting with several legal documents.

Chapter 4 begins with briefly introduction of Skål International and its history, Young Skål and its activities. By-law of Skål International and Statutes of Skål International will be presented after that. Later, this chapter indicates the benefits of becoming a member of Skål International member, and also analysis the organizational problems of NGOs.

The purpose of Chapter 5 is to argue the methodology in this study using data collection, literature review, and benchmarking process.

Chapter 6 figure out the strategic marketing plan by bring together strategic organizational marketing plan process, communication strategies by using social media marketing as well as e-marketing concluded analysis advantages and the disadvantages of each tools.

After study the theoretical framework, Chapter 7 will discuss more about marketing categories and synchronous between several instruments of marketing communication mix for promoting the project, segmenting and targeting customers and recommendations for Skål International Club Vietnam with media and non-media plan.

Chapter 8 forms an action plan in financing and scheduling the project, which will show details of the project planning, how the project is going to proceed.

Finally, after observing the legal procedures of Vietnam on NGOs, following the rules and guidelines of the Skål International, the formation step-by-step of a new Skål International Club in Vietnam will be described in Chapter 9 with conclusion and application guidelines. The process of establishing a NGO, the understanding of key characteristics is also revealed as references for future studies.

## **2 Vietnam – The Timeless Charm**

Viet Nam is the S line country situated on the Indochina Peninsula in Southeast Asia. It is bordered by Laos to the Northwest, Cambodia to the Southwest and the East Sea to the East, and China to the North – which is the biggest influence factor that involved to the history of 2000 years of Vietnam.

As we are already known that, Vietnam had entered a period of transition to Socialism when industrialized is not in accordance with its normal path. History has left the country with a poor production, and low productive work force which was backward and highly devastated by wars.

During 20<sup>th</sup> century, the country has been passed the World War II against the two big empires: France and US. In 1945, after Ho Chi Minh successfully led a resistance movement known as August Revolution, which lead to proclamations of independence and formation of the Democratic Republic of Vietnam. However, wars continued dominated almost 30 years more of Vietnam's civil war history between the North of Vietnam and the South of Vietnam. The US military intervention completely ended in 1975, Vietnam celebrates the country's unification day on 30<sup>th</sup> April, 1975 after Saigon (HCMC nowadays) was liberated, and the Socialist Republic of Vietnam is so-called until now.

After a decade, in 1986, the renovation program “doi moi” of political and economic reforms was introduced as an opening-up policy; this decentralized aspects of governance and planning and streamlined the government bureaucracy. The reforms were legislated to encourage the private sector as an economic driver to authority state and private-owned industries to trade openly on foreign and international markets.

Vietnam entry to ASEAN, one year after the US embargo against Vietnam ended in 1994. At the beginning of 2007, Vietnam joined the WTO, the signal that indicates an accumulative re-integration of Vietnam into international capital markets. Later, the UNWTO and the UNDP involved in helping Vietnam in developing a tourism policy

and a tourism master plan to impose some organizations on this still-developing market, as well as helping to draft the country's first tourism law.

There were approximately 1, 250 international travels agents and tourism organizations operating in the Vietnam, which provide customers with diversified products to penetrate new markets. In 2013, the year also documented the establishment of new tourist facilities as fairs, exhibitions and related services, cultural, sporting and entertainment, as well as luxury four and five stars hotels and resorts, all of which contribute to the significant renovation of the travel and tourism industry.

Those remarkable achievements have exemplified the clear-sighted recent guideline on tourism development set by the party, state, and the GoV with the aim of turning the sector into a key industry. Advantageous conditions, including high increase of foreign visitors to Vietnam, attracting INGOs as assistances in the field of co-operate, research and development, also contributed to the progress, abundant natural resources help to create diversified and unique tourist product, and sustainable tourism.

## **2.1 Vietnam travel and tourism industry**

Since 2009, after four years of global economic recession the number of foreign tourists in Vietnam has doubled, and the tourism revenue is 2.2 higher to 7.5 billion USD. The sector has overreached its target as set in the strategy on developing Vietnam's tourism. (UNWTO 2014.)

In the past five years, Vietnam tourism industry has developed rapidly. According to official statistics of UNWTO, in 2013 Vietnam has welcomed 7.5 million international tourists, and the number increase 10.6% compared to 2012 (ITDR 2014). The industry generates over 700, 000 direct employees and nearly 1 million indirect laborers, which contributed 4.5% to GDP in 2012 and has risen to approximately 8% by 2013. Currently, Vietnam has over 10, 000 tourist guides; over 15, 000 hotels with 265, 000 rooms which including 51 five-star hotels, 135 four-star hotels.



Well ahead, GoV projected in travel and tourism industry, the sector has benefited from improved infrastructure, the transports system by air, rail, waterways and roads has received ample investment to expand.

Table 1. Travel & Tourism Economic Impact – Vietnam (WTTC 2013.)

	<b>Direct contribution</b>	<b>Total contribution</b>
<b>GDP</b>	2012: 4.5 % 2013 7.9% (est.)	2012: 9.4 % 2013: 7.3 % (est.)
<b>Employment</b>	2012: 3.8% 2013: 4.2% (est.)	2012: 8.1 % 2013: 3.6 % (est.)
<b>Visitors export</b>	VND 123,809.0 Billion	4.6 % total exports in 2012 6.7% in 2013 (est.)
<b>Investment</b>	VND 77,565.0 Billion	8.3 % of total investment in 2012 raise 3.6 % in 2013

Out of 184 countries, under the relative importance of travel and tourism, Vietnam has ranked 57 absolute size in 2012, 89<sup>th</sup> relative size contribution direct to GDP in 2012 with USD 6.2 Billion, and USD 13.0 Billion total to contribution to GDP. Growth forecast ranks 29<sup>th</sup> in 2013 and 16<sup>th</sup> for long-term forecast 2013 – 2023. (WTTC 2013.)

### 2.1.1 Difficulties and challenges

Recently, the number of international visitors to Vietnam drooping slightly is leading those working in the field to take a truthful look at their limitations. An official statistic shows that shortcomings in the sector's operation with weak management, poor sanitary conditions, disorder and unsafe conditions at tourist attractions, and many case of foreign tourist being cheated during the high season as summer holiday and Vietnam Annual Tet holiday, etc.

The exploitation without governance and manage of tourist resources has damaged the natural environment, and tourism image of Vietnam, while the work of environment and social management has not received enough attention from government and local authorities.

Education in general, especially in travel and tourism industry of Vietnam also a big issue could not be solving. A lack of professionalism in tourism product creation marketing, coupled with a dearth of high-educated and well-qualified worker in the field had imposed limitation on the sector's viability. Comparing to other countries in the regions, state budget spending on the sector has achieved modest result in advertising Vietnam's attraction and stimulating tourist demand in targeted markets.

In addition, the co-ordination between the tourism sector and relevant industries, as well as the co-operation among tourism organizations and NGOs in the field has not worked effectively. The inactivity of local tourist businesses in developing markets, creating impressive products and improving quality has combined with the industry's unhealthy competitiveness to cause serious consequences for brand image of Vietnam.

In the meantime, the national tourism industry is undertaking increasing pressure of product pricing, service and staff quality, and business capacity from other countries in the region such as Singapore, Malaysia and Thailand, which their government has made substantial investments in their hospitality sectors to enhance staff qualifications and update tourist products.

### **2.1.2 Strategic solutions for short-term and long-term**

As the recent domestic and international situation, Vietnam's tourism sector has following the course of action in the Strategy and Master Plan of Tourism Development by 2020, with a vision towards 2030.

From 2014 ahead, the sector should focus on realizing the government instruction on ensuring health, safety and security of visitors. One of the serious goals under this category is to build public toilets at all tourist sites. It is also necessary to have a law enforcement agency responsible for ensuring security and ensuring a healthy environment for visitors as many countries with strong tourism brands like Hong Kong and Singapore had already done. Vietnam should also establish the tourism police force,

especially in the major tourist cities like Hanoi, HCMC, Hue, and Danang, .etc and tourism centers that attracts many foreign tourists.

For a long-term perspective, the GoV should prioritize reforming and perfecting policies, mechanisms and legal relating tourism to concrete the way for its development and foster market research and tourism promotion, as set out in the Plan on Building Vietnam Tourism by VNAT.

The sector should focus on attracting more domestic visitors, particularly when the number of foreign visitors decreased due to both internal and external factors.

Additionally, to consolidate discipline in the operation of travel agents and removing unregistered ones, the sector may create favorable for tourism business to improve their performance and increase their competitiveness as Vietnam becomes more strongly integrated in international institutions.

MOCST has planned solutions to the GoV for boosting tourism industry during 2013 – 2014 periods, and creating momentum for the development relating industries. The Ministry also suggested better policies for businesses operational in the field and simplicity administrative procedures for both foreign visitors, and organizations who want to operate in Vietnam.

The travel and tourism industry is set to become as key economic sector of Vietnam with professionalism, modern infrastructure, high quality products and services, established trademarks, and a high standard of competitiveness comparing to other countries' image in the region and worldwide. For that reason, tourism promotion will be one of the most important tasks of not only state government agencies but enterprises, associations and international organizations relating the sector.

## **2.2 PESTLE analysis**

PESTLE analysis is a framework and concept in marketing principals, use to analyze and monitor the macro environmental factors that have an impact on an organization.

The acronym PESTLE stands for Political, Economic, Social, Technological, Legal and Environmental. Each PESTLE factors is explored in terms of four parameters: current strengths and challenges, future prospects and future risks.

### **2.2.1 Political**

Vietnam belongs to Socialist country group, which is a single-party state. The Communist Party of Vietnam has a central role in affecting the country's policy and legal system, maintains a firm control over all the government and social system. The National Assembly of the Socialist Republic of Vietnam is the highest law-making body of the country, which has the power to promulgate and amend the Constitution and Laws. The National Assembly with a term of five years meets twice a year at its office in Ba Dinh, Hanoi.

The 11<sup>th</sup> Congress of Vietnam Communist Party held in 2011 happen the election of the Party Central Committee for a new term 2011 - 2016; Mr. Nguyen Phu Trong was elected to be the General Secretary. The first congress of the parliament, term XIII, in which Mr. Nguyen Sinh Hung was elected to be the president of the parliament, Mr. Nguyen Tan Dung was elected to continue the position of PM, and Mr. Truong Tan Sang elected as the president of the country. During this congress, four degrees had been issued are: approving the state budget, secondly, agreeing on the program of building laws and ordinances in 2012, thirdly, the amendments and supplements of the 1992 constitution and launching the revised draft of the 1992 constitution, and the final degree working on the issuance of certain addition tax procedures to remove difficulties for enterprises.

Currently, the issues on East Sea are the main cause of the changes in relation between Vietnam and China, VN – USA. Tension in the East Sea has heightened due to China's provocative act on May, 2011; therefore there were many anti-Chinese protests in Hanoi and HCMC. In the situation, the relation between Vietnam and the USA was announced to be elevated to strategic partnership.

In term of politically domestic policy, the GoV kept the political stability and also showed some positive signs, in which the freedom of press seemed extending, and the GoV was also more aware of its limitations and of the policy mistakes by opening tourism market to foreign direct investment, as well as strategic planning for co-operation with international organizations in the tourism industry, .etc. However, according to Transparency International – the global coalition against corruption, Vietnam still ranks 116/177 with scored 31 in 2013.

When operating in Vietnam, there are several significant political risks needed to be concerned?

### 2.2.2 Economic

As the result of economic reform, many private-owned enterprises were allowed to start article of trade production. Vietnamese leaders established diplomatic relationships with the East Asia and the Western, and the “doi moi” policy opened doors to foreign investments, including Japan and the US.

The economy started growing rapidly. The poverty rate dropped from 75% in 1986 to less than 10 % in 2013. GDP per year averaged 7-8%, increased from 120 USD in 1986 to approximately 2,000 USD in 2013 (The World Bank 2013.). After Thai Lan, Vietnam became second largest rice exporter in the world (Reuters 2012.), and also belongs to Top 2 coffee exporting country behind Brazil (Indonesia Investments 2013.).

Table 2. Macro Indicators of Vietnam Economy (2008 – 2013) (The World Bank 2013.)

<b>Key Indicators</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
<b>GDP (*)</b>	143.40	127.00	157.00	122.00	136.00	176.00
<b>Total Trade (*)</b>	143.40	127.00	157.00	203.41	228.57	263.47
<b>Exports (*)</b>	62.7	57.1	72.2	96.91	114.57	132.17
<b>Exports change</b>	29.00 %	-8.9 %	26.4 %	34.2 %	28.2 %	15.4 %

<b>Imports (*)</b>	80.7	69.9	84.8	106.75	113.79	131.30
<b>Imports change</b>	28.7 %	-13.4 %	21.3 %	25.8 %	6.6 %	15.4 %
<b>Main export partners</b>	US	Japan	China	South Korea	Malaysia	
<b>Main Import partners</b>	China	South Korea	Singapore	Thailand	US	

(\*) Billion US Dollars

Vietnam at the first year of Socio-Economic Development Strategy (2011-2020) with the goal of becoming an industrialized and modern economy by 2020. This strategy goes on to identify the country key priorities to meet this ambitious target: stabilize the economy, build world-class infrastructure, create a skilled labor force, and strengthen market based institutions (The World Bank 2012.)

Vietnam is still ranked as an attractive destination of future investments for foreign investors. The World Bank (2013) suggested that:

“Vietnam remains one of the most popular destinations for expansion within ASEAN region according to ASEAN Business Outlook Survey by Amcham and Singapore Business Federation.”

### 2.2.3 Social

The country belongs to the 15<sup>th</sup> most populous country with the population of nearly 93.4 million (July 2014 .est), of which the Kinh (Viet) ethnic group constituted 85.7% the population, and the rest combined by 53 minority ethnic groups. Vietnamese are mostly non-religious (80.8%), 9.3% are Buddhist, 6.7% are Catholic, 1.5% are Hoa Hao, 1.1% are Cao Dai, 0.5% are Protestant and 0.1% are Muslim. Vietnamese is known as the majority language – the national language of Vietnam beside various local languages is spoken by minority groups. (CIA – The World Fact book 2014.)

Vietnam has 64 cities and provinces with major tourism cities as Hanoi, Hai Phong, Ho Chi Minh City, Hue, and Da Nang.

Several banks are open on Saturday morning until 12.00 am, restaurants and hotels may open up to 24/7. However, government offices and companies close on Saturdays, Sundays and the following holiday during 2014: 01.01 (New Year's Day), 28.01 – 05. 02 (Lunar New Year), 09.04 (Hung King's Temple Festival), 30.04 (Reunification Day), 01.05 (International Labor day), 02.09 (National Day)

According to Pham (2011), due to urbanization and industrialization process the expansion of Hanoi in 2008 has caused in the loss of huge agricultural lands and affected the livelihood of existing farmers and the farming industry, and numerous of issues relating. However, the Vietnam political leaders acknowledge problems of transportation, public spaces, land management, urban management, as well as the sustainable development of the capital in the future.

#### ❖ Education

Education is a very important factor in development policy of Vietnam. Having qualified education means having opportunities to good and well-paid jobs and bright future. Children are expected to go to universities after finishing high schools. According to census publication published by UNFPA Vietnam in 2011, the literacy rate of the population aged 15 years and over is 93.5 % – an increase of 3.2 % since 1999. Gender gap between literate males and females has also sharply declined, falling from 10 % in 1989 to 4.4 % in 2009. This demonstrates consistent progress towards achievement of the Millennium Development Goal on the promotion of gender equality. (VTC News 2014.)

Hanoi, Haiphong and HCMC have the highest literacy rate (97.9%) while Lai Chau has the lowest. The literacy rate is rather low among Thai, Khmer, and Hmong ethnic groups compared to the Kinh majority. The dropout rate of the population aged 5-18 years in southern provinces is very high, such as in Binh Duong (30.8 %), Bac Lieu (26.2 %), An Giang (25.9 %) and Soc Trang (25.8 %), indicating that Viet Nam faces challenges in improving the quality of education and human resource development. (VTC News 2014.)

According to Mr. Bruce Campbell, Acting United Nations Resident Coordinator in Viet Nam:

“Looking beyond the coverage of educational services to the quality of education will be of paramount importance to Viet Nam’s socio-economic growth in the coming decades. Now that the country has reached middle-income status, increased investment in education that meets the special requirements of the changing domestic and global market is imperative.”

Although the last decades have witnessed remarkable achievements, which have contributed greatly to public awareness and human resource training, the Vietnamese education system need an overall renovation due to its poorness and impediments. At present, the education quality is still low. Curriculum, program and education methods are outdated and not practical. The national education system is not consistent. State governance in education is retard and does not keep up with the globalization. Besides, there lack of skilled teachers and academic staff. The linkage of higher education with research, production and employment is relatively poor. The system itself contains contradictions.

The globalization and international integration in education have changed the education functions. Education also plays a role in economy, investment, social value addition and connection, international competitiveness besides training human resources and creating social welfare. Recently, MOET has proposed of new education system which will be applicable from 2016. According to this new system, right after completing secondary school, pupil can choose whether to continue high school or take vocational education. In addition, high school requires two years instead of three years as before. Compulsory education time is nine years instead of 12 years as previously.

Currently, proposed education system of Vietnam to be applicable from 2016. This new system is modern, consistent. (VTC News 2014.)



## ❖ Human Resources

Compared to many regional and global countries, Vietnam has an abundant source of human resource. The country enjoys low unemployment level, youth ages 15 – 24 with total 5.5 % rank 135 comparisons to the world. The current number of labor force is 52.93 million (2013 est.) of total national population of 93.4 million (July 2014 est.) equivalent to 56.6%, ranking the third in Southeast Asia (after Indonesia and the Philippines). Number of 25 – 54 years old people is about 40 million equivalent to 42.8 % of total population respectively. Vietnam has young population, which is a great advantage for the industrialization and modernization of the country. However, the quality of the labor force is still relatively low. Only 7.3 million out of total 49.2 million working age people have training (14.9%) (CIA – The World Fact book 2014.)

The countryside has witnessed a remarkable shift in labor force. Agricultural workers have reduced and shifted to industrial and service areas about 6.8% (average 0.6% per year). The proportion of workers in agro-forestry and fishery is 49.5% (2010), 48.4% (2011), 47.5% (2012); in industry and construction rose from 11.4% (1995) to 22.2% (2010) then decreased to 21.3% (2011) and 21.1% (2012); and in the services increased from 17.4% (1999) to 26.9% (2010); 30.3% (2011) and 31.4% (2012). (Economy and Forecast Review 2013.)

According to the report on “Skill development: Labor force construction for a modern economic market in Vietnam” published on 29<sup>th</sup> November, 2013 by the World Bank, it has showed that modernization of the economy will result in a shift in labor demand, from manual work to more complicated work requiring more skills. (The World Bank 2013.)

In order to use the labor force more properly, the following measures have been recommended. Firstly, it is necessary to complete the law and regulation framework so as to ensure equal and reasonable distribution of labor force. Secondly, management and use of labor have to be reasonable, treatment of skilled workers and wage policy should be paid due attention. Thirdly, educational system must be renovated in accordance with modernization and international competitiveness. Other recommendation is

due government policy must be worked out to attract skilled people to work in the countryside. And finally, copyright law execution must be tightened.

#### **2.2.4 Technological**

In the industrialization – modernization today, technology is occupying a special important position. Vietnam is moving from a socialist economy with small scale production and manual workforce with lacking of industrial background.

Right from start the innovation process, the Party and the State acknowledged the accomplishment and innovation perspective, guidelines and policies in the field of sciences and technology. The Party's views on science and technology are specify expressed and developed each time to address the major task of the revolution and potential for the next step of the country's development. Resolution 26 of the Ministry of Political Affairs (Course VI) clearly stated:

“The sixth Congress of the Party proposed strategy of innovation, stabilize the situation of the economic development. Science and technology are recognized as strong dynamics of industrialization and modernization, and those whose working in the sector are official trusted and valuable for the Party, the State, and the Vietnamese People.” (Doko 2014.)

In term of technology, Vietnam is considered as a developing rapidly. In 2011, the beginning year of the strategic plan of economic and social development (2011 – 2020), in which infrastructural constructing is measured as one of the main targets. Through this plan, Vietnam has been building many expressways that allowing the local transportation network be in the long run upgraded to meet the requirements of rural industrialization and modernization. Connecting itself with the national systems, Hanoi leading the country by a groups of environment friendly - electronic taxi for tourist located nearby Hoan Kiem Lake.

Furthermore, the plan also includes a project which will work closely scientific and technology with the world in some key fields by 2020. By launching this project, GoV

will give to priority to refining the competence of scientists and related managers while encouraging the organizations of training courses partnered with foreign competent partners. According to the project, GoV will focus on scientific and technological renovation to improve the competitive edge of local products and assisting businesses to purchase patents in some prioritized areas such as IT, biotechnology, Nano technology, materials and manufacturing technology, etc.

#### **2.2.5 Legal**

The communist party-controlled government of Vietnam has ruled under state constitutions, which promulgated the first time in 1946, second time in 1959, the third time in 1980, and the latest in 1992 and had amended in 2001 and 2013.

Earlier 1989, foreign NGOs' activities in Vietnam were limited by an unclear identified legal framework. NGOs' activities at the time mainly recognized as naturally emergency relief and humanitarian. Since 1995, according to the statistics on operation of INGOs in Vietnam, the forms nature and method assistance have changed for the better, from mainly in kind to funding of humanitarian and development projects and programs, result on increasing in the total disbursed budget. (VUFO 2014.)

On May 24<sup>th</sup>, 1996, Decision 339/1996/TTg issued by Prime Minister Vo Van Kiet, which open opportunities and legal environment on issuing the first legal framework to regulate and operation of foreign NGOs in Vietnam. As specified in the Regulations, foreign NGOs are permitted to conduct development assistance and humanitarian activities in Vietnam which are not-for-profit or other purposes have to register for authorization with the GoV in the forms of: Permit for Operation, Permit for the Establishment of Project Office, and Permit for the Establishment of Representative Office. (VUFO 2014.)

Permit for Operation is the official recognition and authorization for foreign NGOs to conduct needs assessment and assistance planning, and implement development and/or humanitarian projects and programs in Vietnam via Vietnamese partners. (VUFO 2014.)

Permit for the Establishment of Project Office allows foreign NGOs to set up a project office in project locations to facilitate the monitoring of projects and programs having approved by local authorities. (VUFO 2014.)

Permit for the Establishment of Representative Office is the official recognition of the permanent presence and representativeness of the foreign NGO in its operations in Vietnam. (VUFO 2014.)

The regulations also includes other detailed issues related to the operation of foreign NGOs, such as visas for expatriates, house and office renting, and the Vietnamese employees who participating or working in the project and representative offices in compliance with the laws of Vietnam, the opening of expenditure bank accounts (both or either VND or foreign currencies) in authorized banks. (VUFO 2014.)

Vietnamese Government in facilitating, in-depth supports all foreign NGOs activities, offering privileges and immunities to foreign NGOs and their expatriate staff, such as exemption of income tax and VAT. (VUFO 2014.)

Foreign NGOs operating in Vietnam will be requested to abide by the ranges and fields of activities as mentioned in the issued Permits. The person(s) appoints to represent foreign NGOs operation in Vietnam in case of Permit for Operation will be accountable for all activities in Vietnam. The person(s), who authorized by an NGO to be its representative(s) or chief of it project office will have to report in writing to the Committee on the operation of the organization in Vietnam every three and six months. Whenever, he/she also have to provide and explain to the Committee on all matters relating their organizations' activities. (VUFO 2014.)

#### **2.2.6 Environmental**

Disposable household incomes, rising living standards are the increasing trend towards travel. Vietnam tourism is projected to enjoy strong growth over the forecast period. During the “doi moi” period, the governments had put considerably effort into gradually improving infrastructure such as airports and highways, as well as invest heavily in

promotional campaigns in order to promote Vietnam as a tourist destination all over the world. Additionally, industry players such as travel and tourism organization are expected to continue to improve their products, services and launch more promotional activities in order to attract travelers.

#### ❖ Conclusion

With the PESTLE analysis tools aforementioned, we may realize that in recent years, Vietnam continuously attempted to keep its strategic plan of development, and has also obtained some important goals. Oppositely, the country had faced many difficulties and challenges which came from both internal and external elements.

From the author point of view, there are still many issues that Vietnam government should think through in the upcoming years. Those problematic issues are: improving the education system, problem solving against corruption including fiscal transparency, and economic data and information, and especially amending and simplification the laws and procedures, reforming the state-owned sectors, narrowing the gap between inbound and outbound, Vietnam and the international travel environment conditions.

### **2.3 The government agencies system**

There are 18 Government Ministries, and 4 ministerial-level agencies are: The State Bank of Vietnam, Government Inspectorate, Committee for Ethnic Minorities, and Government Office. (Chinhphu 2014.)

The Ministry of Culture, Sports and Tourism of Vietnam is the government organization in authority for the state management in the fields of culture, family, sport and tourism and for the national management of public services in the fields of culture, family, sports and tourism, based on the provisions of Vietnamese law. The former National Sports Committee, The National Administration of Tourism and the Committee of Population, Family and Children had merged with the cultural department of the former Ministry of Culture and Information to become the new Ministry of Culture, Sport and Tourism in 2007. (Culture360, 2014.)

The Ministry supervision is provides guidance to and oversees the activities of provincial and municipal cultural centers throughout the country and co-ordinates the design and nationwide distribution of government propaganda posters. (Culture360, 2014.)

### 2.3.1 VNAT

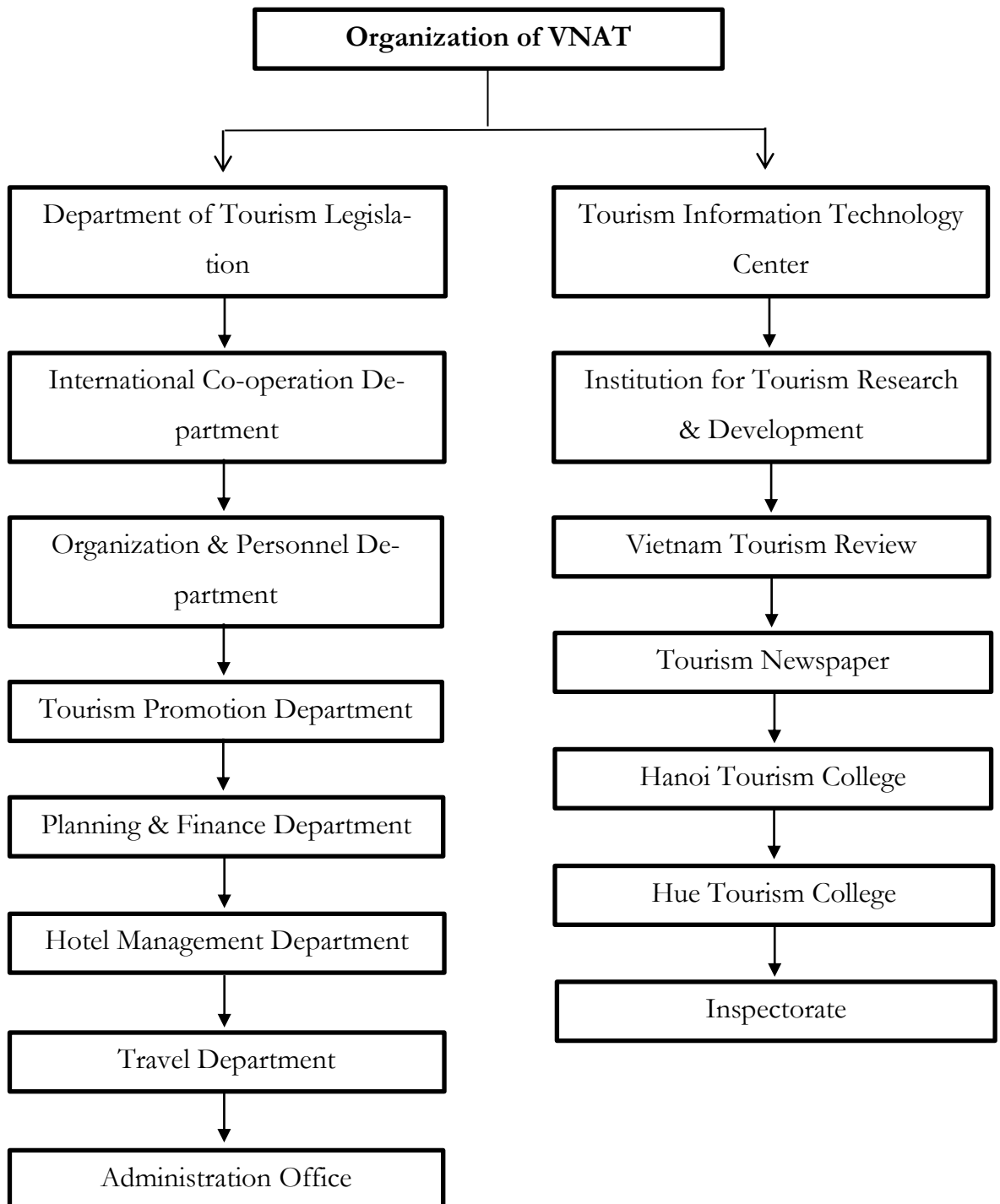


Figure 1. Organization of VNAT (VNAT 2014.)

VNAT was established in 1960 with the name of Vietnam Tourism Corporation, and lately being as a national organization in 1992. Under Ministry of Cultures, Sport and Tourism, VNAT is a government agency, which runs the state management function over tourism activities and operations throughout the country. The VNAT fully govern over planning, public relations, conducting research, implementing policies and regulating all tourism sectors.

Tourism Information Technology Center

Address: 114 Lang Ha Street, Dong Da District, Hanoi City, Vietnam

Tel: +84 (0)4 3943 7072

Fax: +84 0(4) 3826 3956

Email: [info@vietnamtourism.gov.vn](mailto:info@vietnamtourism.gov.vn)

### **2.3.2 COMINGO**

COMINGO was established under Decision 59/2001/QĐ-TTg, signed by Prime Minister Phan Van Khai lately on April, 2001. Its establishment brings together the keys of Vietnamese government ministers and other bodies to assist the Prime Minister in guiding and managing issues relate to foreign NGOs. (VUFO 2014.)

The four main key tasks of COMINGO are: proposing guidelines and policies relating to foreign NGOs in Vietnam, coordinating with relevant agencies in order to provide guidance, monitoring and oversight for the implementation of laws and procedures concerning to the operation of foreign NGOs in Vietnam. COMINGO reviews of foreign NGOs via its member agencies, and forwarding documents to the Ministry of Foreign Affairs for granting, extension, amendment, supplement and revocation of the Certificate of Revocation. It reports the PM on the operation of foreign NGOs in Vietnam, periodically and carrying out tasks relating foreign NGOs in Vietnam as assigned by the PM. (VUFO 2014.)

COMINGO has a specific legal stamp and it take the headquarters of VUFO as its office. The chairperson of COMINGO is Mr Pham Binh Minh – Executive vice Prime

Minister / Minister of Foreign Affairs, and the executive member are appointed as below:

- Mr Vu Xuan Hong – President (VUFO)
- Vice Minister / Ministry of Public Security
- Vice Minister / Ministry of Planning and Investment
- Chairperson / Government Commission for Religious Affairs
- Deputy Chief / Government Office
- Deputy Chairperson / Commission for External Relations of the Party Central Committee
- Vice Minister / Ministry of Finance. (VUFO 2014.)

### **2.3.3 VUFO**

VUFO is the standing agency of COMINGO. It is the nation-wide social political organization with the main function of establishing and promoting friendly and cooperative people to people relations between Vietnam and other countries. Decree 12/2012/ND-CP dated 1<sup>st</sup> June, 2012 of the Government directed VUFO in authority with communication and promotion of foreign NGO assistance. (VUFO 2014.)

VUFO is a member of the Vietnam Fatherland Front. This agency comprises various peace, solidarity and friendship member organizations of both bilateral and multilateral, in addition to regional and municipal friendship unions over the country, which carry out activities agreement through the aims and statutes of VUFO. (VUFO 2014.)

Operating under the law of Vietnam, VUFO with its three main tasks are carrying out activities, guiding and coordinating related activities of its member organization to consolidate and develop the ties of solidarity and friendship, advocate and support the economic, technical-scientific and cultural cooperation, contribute common struggle for peace, democracy, national independence, economic development and social improvement, and solutions for global problems. As a standing agency of COMINGO, VUFO manage to mobilize and enlist material aid from peace, solidarity and friendship organizations, humanitarian, NGO, and organization worldwide with a vision of con-



tributing to the development of social and economic for Vietnamese people. In addition, VUFO is also doing researches on all the issues and activities relating in different countries and INGO to make recommendations and assist to the government and other organizations in the Vietnam. (VUFO 2014.)

VUFO – NGO Resource Centre was established in 1993, which played an important role for the INGO community in Vietnam. It has become one of the leading service providers for 120 member INGOs, however, the Centre's activities and support extend to non-member INGOs, UN agencies, multi-lateral organizations, bilateral organizations, Vietnam partners, local institutions, government agencies, donors as well as international and national researchers. (VUFO 2014.)

In close relationship with PACCOM, the Centre remains the central bridge between the INGO community and other development partners in Vietnam. The important component of the VUFO – NGO Centre's effort is assisting and facilitating working groups that focus on different sectorial and cross sectorial issues. Currently, there are 18 working groups, which established according to the interests and needs of INGOs to share information, ideas, resources, experiences, and solutions. Members are active and through their work creating an environment for NGOs to meet with each other and with government agencies, local partner, donors and experts in particular working groups: child rights, disaster management, climate change, ethnic minorities, disabilities, HIV-AIDS and land mines. (VUFO 2014.)

INGO forum allows members for lobbying mutual issues, policy changes, and preparation of joint statements. The VUFO – NGO Centre also published an annual directory, a database of NGOs' details including staffs, programmatic sectors and activities locations which is available online. In addition to its regular services, the Centre may organize surveys, evaluations, workshops, identify consultants, and host foreign delegations and visiting missions. (VUFO 2014.)

Address and information about VUFO and its Resource Centre could be found as below:

Vietnam Union Friendship Organization (VUFO)

105A Quan Thanh, Hoan Kiem, Hanoi, Vietnam

Tel: +84 (0)4 38 45 63 03

Fax: +84 (0)4 37 33 02 01

Email: [vufo@vietpeace.org.vn](mailto:vufo@vietpeace.org.vn)

Website: [www.vietpeace.org.vn](http://www.vietpeace.org.vn)

VUFO-NGO Resource Centre

Trung Tu Diplomatic Compound, Room 201, Building E3

No. 6 Dang Van Ngu, Dong Da, Ha Noi, Viet Nam

Tel.: +84 (0)4 832 85 70

E-mail: [info@ngocentre.org.vn](mailto:info@ngocentre.org.vn)

#### **2.3.4 PACCOM**

PACCOM is the functional body VUFO specializing in issues relating foreign NGOs, such as assisting the Committee in dealing with procedures on the insurance, renewal and amendment of Permits for foreign NGOs, and providing governmental supporting administrative for the Committee. Its activities are governed effectively from June 2012 under Decree No 12/2012/ND-CP by the government. PACCOM works systematically with INGOs both at central level and in all 64 cities and provinces, and centrally administered cities to simplify foreign NGOs' activities in Vietnam. (VUFO 2014.)

PACCOM had been authorized with four main tasks of promoting partnership between foreign NGOs and Vietnamese agencies and localities. Facilitating foreign NGOs' activities in Vietnam and assisting Vietnamese partners in their work with foreign NGOs. Gathering and distributing information related to activities of foreign NGOs in Vietnam and carrying out research on issues related to foreign NGOs' operation and local needs. And finally, this government agency recommends to the government applicable policies for administration of and support for foreign NGOs in Vietnam. (VUFO 2014.)

The six principal activities of PACCOM are: facilitating the humanitarian and developing foreign NGOs' aid activities. PACCOM procedure all issues regarding amendment and extension of registration of different types for foreign NGOs working in Vietnam. As a focal agency, PACCOM working between foreign NGOs and Vietnamese partners, introducing foreign NGOs to ministries, central agencies and institutions and local authorities. It arranges visiting fields for foreign NGOs, and entry-exit visas for its expatriate staffs and simplifying procedures for permission from competent authorities for the organization of internal meetings, and reviews of foreign NGOs in Vietnam. It also gathering and spreading information with foreign NGOs and Vietnamese partners. (VUFO 2014.)

Currently, PACCOM make available for three technical activities consist of considering needs of central institutions and localities, formulating practicability studies to seek assistance and funding from foreign NGOs, monitoring, strategic planning and evaluating projects and programs. PACCOM is organizing seminars that are of interest to foreign NGOs and Vietnamese partners, developing training instruction manual on foreign NGO aid mobilization and issues in the improvement project cycle, conducting training courses for localities on the mobilization and implementation of humanitarian and development projects. (VUFO 2014.)

PACCOM operational in four desks of administration, EU, North America, and Asia Pacific functioning general director, deputy director, and program coordinators. PACCOM headquartered in 105A Quan Thanh Street, Hoan Kiem District, Hanoi City, Vietnam, Tel: +84 (0)4 8436 936/7, Fax: +84 (0)4 8452 007. And the Southern Representative Office address is: No. 9 Le Duan Street, District 1, Ho Chi Minh City, Tel: +84 (0)8 8250 372, Fax: +84 (0)8 8333 436.

### 3 Non-governmental organizations in Vietnam

According to a report of PACCOM, in 2013 there are over 900 NGOs having relationships in Vietnam, which come mostly from Western Europe, North America and the Asia Pacific region. NGOs have become relatively prominent in the field of international development in recent years. However, the term NGO comprises a vast category of organization and groups.

#### 3.1 Definitions

NPO literature consists of variously term of voluntary and/or not-for-profit organization, which typically used for domestic third sector organization. NGO, in general is used throughout, while the classification NGO might be specified into organization sub-groups such as “public service contractors, people’s organizations, voluntary organizations, grassroots support organizations and membership support organizations.”(Lewis 1998.)

The NGO literature is likely seen as one of key actors in processes of development alongside the state, local government, foreign donors and private corporations. Dissimilarity to this integrated approach, the non-profit literature range focus on the organizations themselves and on the concept of the sector as a typical subject for research non-profit has concentrated on service delivery and welfare organizations more than advocacy and social change organizations. (Lewis 1998.)

The World Bank defined NGOs as “private organizations that pursue activities to relieve suffering, promote the interests of poor, protect the environment, provide basic social services, or undertake community development.”

The term of NGO can be applied to any NPO which is independent from government. NGOs are classically value-based organizations which wholly or partly depending on charitable donations and voluntary service. (The World Bank 1995.)

There are also classified groups of non-governmental organizations have developed from the term of NGO during the time such as: INGO, BINGO, RINGO, ENGO, GONGO, .etc.

Both NPOs and NGOs may be defined as organized, private, and self-governing organizations. However, NGOs are differentiated by being large voluntary in nature and non-profit-distributing in character. Despite the fact in the development field, NGOs are becoming increasingly professionalized. In developing countries, NGOs tend to arouse greater government suspicion than NPOs, thus, encounter increased government scrutiny and control. (Lewis 1998.)

### **3.2 Types of non-profit organizations in Vietnam**

Under Vietnam law, there is no specific definition given to the term of NPO. Reasonably, based on several procedures and regulations for establishment and operation of organizations with non-profit purpose, it is possible to make sure that the government legal allows for the operation and establishment of the following five types of NPOs:

#### **❖ Social relief establishments (SREs).**

The contribution of SRE is to assist individuals experiencing social difficulties, including orphans, abandoned children, HIV/AIDS-infected, elderly persons, serious disabled persons, victim of domestic violence and sexual abuse, victims of human trafficking, victim of forced labor and some other groups in difficult circumstances that may qualify for such assistance. SREs may include both state-owned and private owned establishment. (USIG 2013.)

Policies, conditions and procedure for establishing, operating can be referred to Decree No. 67/2007/ND-CP, dated 13<sup>th</sup> April, 2007 of the Government, Decree No. 68/2008/ND-CP, dated 30<sup>th</sup> May, 2008 of the Government (Decree 68). Circular No. 07/2009/TT-BLDTBXH, dated 30<sup>th</sup> March, 2009 of the Ministry of Labor, Invalids, and Social Affairs implementing Decree 68, and Decree No. 81/2012/ND-CP, dated 08<sup>th</sup> October, 2012 of the Government amending and supplementing Decree 68. (USIG 2013.)

❖ Social funds and charitable funds (Funds).

Social establishing fund for non-profit purpose supports and encourages the development of health, education, science, culture, and other public development purpose. While, charitable fund establish for non-profit purpose to remedy difficulties caused by acts of God, fire, and other adverse problems. It is also helping patients with incurable illnesses and other disablement persons in society. (USIG 2013.)

On the issues relating on the organization and operation of social funds and charity funds, please the following legal and procedures: Decree No. 30/2012/ND-CP, dated 12<sup>th</sup> April, 2012 of the Government, Circular No. 02/2013/TT-BNV, dated 10<sup>th</sup> April, 2013 of the Ministry of Home Affairs, Circular No. 10/2008/TT-BTC, dated 12<sup>th</sup> February, 2008 of the Ministry of Finance, Decree No. 64/2008/ND-CP, dated 14<sup>th</sup> May, 2008 of the Government, and Circular No. 72/2008/TT-BTC, dated 31<sup>st</sup> July, 2008 of the Ministry of Finance. (USIG 2013.)

❖ Association.

Association is a voluntary organization of Vietnamese citizens or organizations accompanying the same business, having the same interests, or united by a common goal, which operates protecting and advancing the lawful rights and interests of its members and the community. For many reasons, associations may establish for environment and animal protection, professional and educational activities, .etc. (USIG 2013.)

Legal on establishment, operation, and management of associations are guided under Decree No. 45/2010/ND-CP, dated 21<sup>st</sup> April, 2010 of the Government, Decree No. 33/2012/ND-CP, dated 13<sup>th</sup> April, 2012 of the Government, and Circular No. 11/2010/TT-BNV, and dated 26<sup>th</sup> November, 2010 of the Ministry of Home Affairs. (USIG 2013.)

❖ Scientific and technology organizations (STO).

Any organization involves in scientific research, technological R&D, or engages in scientific and technological service activities. (USIG 2013.)

Law on Science and Technology of the National Assembly of 9<sup>th</sup> June, 2000 provides guidance on the establishment and registration of STOs referring Decree No.81/2002/ND-CP dated 17<sup>th</sup> October, 2002 of the Government, and Circular No. 02/2010/TT-BKHCN, and dated 18<sup>th</sup> March, 2010 of the Ministry of Sciences and Technology. (USIG 2013.)

❖ International non-governmental organization (INGO).

An INGO is a non-governmental organization, social fund, private fund or other types of social and non-profit purpose organization established in accordance with foreign law with non-profit operations in Vietnam in the areas of development assistance or humanitarian aid. (USIG 2013.)

Decree 93/2009/ND-CP dated 22<sup>nd</sup> October, 2009 of the Government issuing regulations on management and use of foreign non-government aid (Decree 93). Circular No. 07/2010/TT-BKH dated 30<sup>th</sup> March, 2010 of the Ministry of Planning and Investment. On registration and management of operation on INGOs in Vietnam, the GoV has issued Decree No. 12/2012/ND-CP of 1<sup>st</sup> March, 2012. (USIG 2013.)

These above NPO forms comprise the primary NPO forms specially expected by Vietnam law. At the meantime, NPOs in Vietnam also be existent in many other formal and informal forms and purpose functions, containing political and religious organizations, voluntary clubs and groups, .etc.

Vietnam as a developing country, which requires these type of committed, devoted and dedicated organizations for the development of the country, especially in the travel and tourism sector. Therefore, GoV, politicians, country leaders, and professionals who work in the tourism industry should support the formation such the organizations like Skål International Club Vietnam.

### **3.3 Activities of non-governmental organization in Vietnam**

It is important to understand the recent history of Vietnam during the French Colonization (1858 – 1954), Anti – French Resistance War (1946 – 1954), Vietnam American

War (1955 – 1975), Cambodian Vietnamese War (1978 – 1989), Sino – Vietnamese War (1979), and the Post – War Challenges (1970s – 1980s) before analyzing the role of INGOs played in the past and their significance for the development of Vietnam today. Here is a brief overview of the activities of NGOs in Vietnam during the last century.

### **3.3.1            1940s – 1980**

During the last century, Vietnam has had countless needs for INGOs' assistance. However, INGOs consist of wide-ranging greatly in different times. Secours Populaire Francais (SPF) was the first who arriving to Vietnam in 1948. In 1954, there were others organizations, and two of them, which present for Church World Service (CWS), and Mennonite Central Committee (MCC). Most of the aid supplied to Vietnam before 1965 came from socialist countries through the term of friendship associations. (Lovrekovic 2013.)

After 1965, support for Vietnamese people sorrow from the war became more shared in Western countries. Nearly 20 INGOs started shipping goods, foods, medicines and humanitarian aid to the North and the South. In 1975, when the Vietnam announced its unification, the majority of INGOs had to close their offices, left the government assumed directly responsibility for humanitarian activities. (Lovrekovic 2013.)

Because of the US economic embargo applied to Vietnam, all western donors joined with the US except Sweden, for that reason less than 10 INGOs had contacted the country from the late 1960s – 1980. (Lovrekovic 2013.)

### **3.3.2            1980s – 2000**

INGOs played an important role during the economic reforms and other developments lately in 1980s.

After five years before the “doi moi” policy initiated, in 1991 the collapse of former socialist countries of the Soviet Union and Eastern Europe reduced their support for



Vietnam. This change created new openings for INGOs from the west to support Vietnam. There are many INGOs renewed their efforts to establish a presence in the country. In October 1988, CIDSE became one of the first INGO after the war having an official representative in Hanoi. (Lovrekovic 2013.)

In 1989, the GoV established PACCOM to serve as a focal point for INGOs and take responsibility for processing of INGO permits. The first permits were issued to American Friends Service Committee (AFSC), Action Aid, MCC, Oxfam Belgium, Oxfam UK, and Ireland and Nordic Assistance to Repatriated Vietnamese. The strategic establishment of the GoV, which not only encouraged INGOs to operate in the country but also but also interest to total financial assistance of 16 million USD per year in the early 1990s. (NARV) (Lovrekovic 2013.)

Throughout the 1990s, the number of INGOs had developed relationship with Vietnam increased to the number of 500. There were 350 active partners implementing programs, approximately 160 of them opened offices or work in the country. Other 150 non-active INGOs had providing kinds of assistance or humanitarian relief. Stabilizing by 1999, total financial assistance annually from INGOs was over 80 million USD. (Lovrekovic 2013.)

With the need for improved information sharing among INGOs, collaboration development agencies and Vietnamese partners, NGO Resource Centre was established in 1993 in the office of Radda Barnen – the Swedish section of the International Save the Children Alliance. In 1998, it was renamed the VUFO-NGO Resource Centre for more reflecting the relationship with the GoV. (Lovrekovic 2013.)

In 1996, the official Committee for NGO Affairs was formed with the purpose of regulating operations of INGOs and local NGOs. The committee has had representatives from VUFO, MOFA, MOPS, GCOP, and the External Affairs Commission of the Communist Party of Vietnam. Decision No. 340/QĐ-TTg of the Prime Minister was issued the same year as the first legal document regulating NGO activities. In the following years, more decisions, decrees and amendments were issued. In 2000, The

Committee for NGO Affairs was disbanded, and replaced by a similar consultative body in charge of foreign NGO. The Government Committee for Organization and Personnel has becoming the central agency responsible for developing local NGOs. Administrative responsibilities for INGOs and local NGO were realized separately. (Lovrekovic 2013.)

### **3.3.3 2001 – 2010s**

By April 2001, COMINGO was formed, which has representatives from VUFO, MOPS, MPI, the Government Office, the Ministry of Finance, the Commission for External Relations of the Party Central Committee, and the Government Commission for Religious Affairs.

During war-time and in the early 1980s, INGOs assistance in Vietnam have perceived mostly relief, charity and emergency support. During 1990s, humanitarian assistance still remained a high priority, but the scope had expanded to other sectors. According to a statistic in 1999, NGOs were spending 29% of their budgets on health care, 22% on economic development, 17% on environment, 4% on emergency relief and 22% on other sectors. (Lovrekovic 2013.)

Ten years later, INGOs the number has increased to 37% on healthcare, 20% on social services, 17% on economic development, 17% on education, 9% on emergency relief and other sectors. Although the figures in previous decades show that the focus of INGOs remained almost the same, but the size of the sector has changed noticeably. By 2009, nearly 800 INGOs had a relationship with Vietnam. Of this number, 700 NGOs were active partners implementing projects or programs on the ground. Financial assistance from INGOs estimation was 270 million USD in 2009, which was almost 17 times if compared to the early in 1990s. (Lovrekovic 2013.)

According to VUFO-NGO Resource Centre's membership statistic, 40% of INGOs operating in Vietnam currently come from US and Canada, equally with the number from Europe, 8% from Australia and New Zealand, 6% from Asia, and remaining the same multinational or NGOs from other parts of the world. Country directors ac-

countable for management of INGOs are 76% foreigners, compared to 33% Vietnamese, which 57% are men and 43% are women. The composition of total staff working for INGOs with 93% is Vietnamese, while only 7% are foreigners. (Lovrekovic 2013.)

### **3.4 Starting an international non-government organization in Vietnam**

The VUFO-NGO Resource Centre, where new INGOs can find information and informal advice about to setting up an office or working in Vietnam. The Resource Centre takes informal responsibility for enquiries about operation and program issues for INGOs in Vietnam, relating the issuing and renewal of INGO certificates of registration, project approvals, personal income tax, and VAT, .etc.

Decree 12/2012/ND-CP, dated June 1<sup>st</sup>, 2012 of the government, which replaced Decision 340/1996/TTg dated May 24<sup>th</sup>, 1996 of the PM to administrate foreign NGOs in Vietnam.

#### **3.4.1 Procedures**

GoV issues certificate of registration for three types of an INGO's status: operation, project office and representative office. The Project Certificate of Registration and the Representative Office Certificate of Registration may be granted for up to five years, while the Operations Certificate of Registration only approved for three years.

In addition to NGOs based in Hanoi, Representative Office status is also available to INGOs based in HCMC and Da Nang City.

Valid and complete application for registration of INGO has to be sent to COMINGO office. Processing time may up to 45 working days, and within 30 days for extensions, supplements, and amendments. Legal consultations can be obtained through INGOs' own consulates or embassies, or from Ministry of Foreign Affairs. From countries, procedures may be different.

### **3.4.2 Responsible**

The rights and obligations of COMINGO, Vietnam ministries, local authorities, partner agencies, especially INGOs are clearly stated in Decree 12/2012/ND-CP.

INGOs' applications remains to COMINGO.

The Ministry of Foreign Affairs will be in charge for granting, extension, supplement, amendment and withdrawal of INGOs' Certificates of Registration.

It is not necessary to registers INGOs' operations with provincial authorities, however activities such as extension of INGOs' project areas will required local authorities' agreements and close involvement.

For more details, please refer to Chapter 2, Section 2.2.5.

### **3.4.3 Reporting**

Written reports of INGOs about their operation and activities in Vietnam have to be submitted to COMINGO every six months, and another copy to applicable People's Committee where they conduct activities.

### **3.4.4 Work permits**

Foreign INGOs' heads/directors are exempted from work permit requirement in Vietnam. However, other expatriate staffs working for INGOs are obliged registering their work permit to DOLISA wherever their office is located. Long-term volunteers have to follow the same procedures as full-time paid expatriates, while up to three months expatriates is able to stay in Vietnam without any requirement.

### **3.4.5 Fundraising**

Under Decree 12, on the statement that INGOs operating in Vietnam raise their funds outside of Vietnam. The GoV will, therefore focus on the subjects of fundraising in

the upcoming years with the increasing involvement of public private partnerships within the INGOs.

#### **3.4.6 Other legal documents**

Beside Decree 12/2012/ND-CP, there are still several of legal document need to be consulted as National Program for the Promotion of INGO Assistance 2006-2010 (Decision 286), Establishing the Committee for Foreign NGO Affairs (Decision 59), Management and Utilization of Aid from International NGOs (Decision 93).

## 4 Skål International Organization

This chapter is about to introduce Skål International, its activities, communication, by-laws of Skål International and the statutes for the news club, and over-all with SWOT analysis tool. In addition, the information is given for young Skål as well as the benefits of becoming a member of Skål International also present. Finally, organizational problems of NGOs will be figured out, and the solutions will come after the analysis.

### 4.1 Introduction to Skål International

Skål is an international non-profit making, non-governmental and professional organization of tourism leaders in the world, which promoting global tourism and friendship without limitation and restrictions on members due to sex, age, race, religion, politics or social standing. It is the only international organization which brings together all sectors as inbound and outbound, R&D and education institutions of the travel and tourism industry. Skål International representing the tourism industry's managers and executives. Skål members meet at local, national and international levels in an environment of friendship to discuss subjects of common interest.

#### ❖ Mission

The mission of Skål Movement as defined in the By-Law is making all professional travel and tourism managers worldwide. Members of Skål Movement are integrated into International Association, whose activities and objectives are aimed to achieve friendship, mutual understanding, peace and solidarity among its members. It is also promoting the development of common interest of the communities.

Through Skål International, leadership, professionalism and friendship are working together to achieve its vision by maximize networking opportunities, supporting a responsible tourism industry, and being a trusted voice in travel and tourism.

#### ❖ Objectives

The objectives of Skål Movement are developing friendship and common purpose between personnel in the travel and tourism industry, fostering goodwill and mutual un-

derstanding worldwide through international travel and tourism, assisting the young professional working or training in the travel and tourism industry, encouraging business relationships among members and supporters of Skål under the slogan “Doing Business among Friends.”

#### ❖ History

The first Skål International Club was found in 1932 in Paris by travel managers, following and educational tour of Scandinavia countries. With the slogan “Doing business among friends”, in 1934 Florimond Volckaert form the “Association Internationale des Skål Clubs”, and its first President later considered as “Father of Skål.”

Currently, Skål has approximately 16,656 members in 403 Clubs spread throughout 89 nations. As in other associations of professionals most Skål activities take place locally, but the movement also features National and Area Committees under the umbrella of Skål International.

The Executive Committee is the governing body of Skål International. Skål International is governed by an Executive Committee of six members, elected by delegates to an annual General Assembly, held during the World Congress, hosted by a different country every year. Two Internal Auditors are elected by General Assembly. The Management body of Skål International is the General Secretariat. Most activities at local points, moving up through National Committees under the management of Skål International headquartered in Torremolinos, Spain with Mrs Yvonne Mansell as the acting General Secretary.

The 72<sup>nd</sup> Skål International World Congress 2011 was held in Turku, Finland. Continuing of succeed to the throne, from 2<sup>nd</sup> to 7<sup>th</sup> October, 2012 Seoul and Incheon welcomed nearly 600 Skålleagues attended the World Congress, in South Korea. The event was a great success and enjoyed by all participants during the business forum and B2B workshop last year in New York, USA. And this year, Skålleagues from all over the world will meet in Mexico City.

At the present time, the President of Skål International is Mrs. Karine Coulanges (France). There are two Vice Presidents, Mr. Salih Cene (Turkey), and Mrs Marianne Krohn (Germany). Three directors are Mr. David Fisher (Kenya), Mr Lou Conkling (USA), and Mr Nigel Pilkington (New Zealand).

Table 3. Skål Executive Committee 2013-2014 (Skål 2013.)

<b>Skål Executive Committee</b>		
<b>Vice-President</b> Salih Cene (Turkey)	<b>President</b> Karine Coulanges (France)	<b>Vice-President</b> Marianne Krohn (Germany)
<b>Directors</b>		
<b>Director</b> David Fisher (Kenya)	<b>Director</b> Lou Conkling (USA)	<b>Director</b> Nigel Pilkington (New Zealand)

The Executive Committee with the main duties of membership development, sponsorship growth, corporate affiliate development, revenue growth, cost control, Skål representation on world bodies.

Directors are selected to control Young Skål and Florimond Volckaert Fund, membership development, business affairs, statutes and special projects Asia.

General Secretariat is the Management body of Skål International. Secretary General is accountable to the Executive Committee and employing salaried personnel. A Secretary work in the Committees with one secretary general, two secretariat and translations, one congress coordinator, one accounting and finance, and one IT and graphic design.

International Council is an advisory body to Skål International, which representing countries or areas, and ruled by a board of president, two vice-president, one secretary elected by the councilors. Currently, there are 38 councilors work in the Committees appointed by the President of International Council.



#### **4.1.1 By-law of Skål International**

By-law is a document that defines how Skål International be managed and how it will run. It regulates which staffs and board members have authority and decision-making responsibilities and how those responsibilities should be carried out. The by-law of Skål International creates a framework for the organization, and aid in resolving internal disputes. It also describe the rules for calling board meetings, and how observer in the executive committee – The President of the International Skål Council and from the management body – The General Secretariat.

The International Council is the connection between the Executive Committee and National and Area Committees. It involves of International Councilors representing countries or areas, and ruled by a board of President elected by the Councilors.

Twenty or more persons/members can form a club, and it has to be approved by the Executive Committee.

Four clubs in a country can form a National Committee. Affiliated club can be formed in countries where no National Committee exists. National Committees and Affiliated clubs can form an Areas Committee.

#### **4.1.2 Statutes of Skål International**

The abbreviation of A.I.S.C has been known Association International des Skål Club, since 1934 with the sub-title International Association of Travel and Tourism Professionals.

According to Article III – Membership and Skål Clubs, section 1 (a) - the use of the title. “Skål International Club” under Formation may be used until the Executive Committee rules on the application for membership of Skål International. Section 1 (b) – application for admission of Vietnam Club to Skål International should be made in writing in accordance with the instructions and restrictions guide in the Skål International By-Laws. (Skål International, Statutes 2014.)

Statutes 2012 - Article III - section 2 (b) suggested that active membership in Sål International Club may limited to professionals holding managerial or equivalent positions in the travel and tourism industry as defined by the Skål International By-Laws could been seen as five categories: active, life, retired, associate, and young. (Young Skål)

Membership of Skål international is open to all managers or executives directly who involved in tourism management, sales and promotions in specified travel and tourism businesses. Persons hold a position of responsibility for controlling or supervising staff or a range of services within the organization. All persons proposed for Active membership must comply with the requirements above and should meet one of the following classifications By-Laws guideline, Skål International Club Vietnam suggests members who working in the following classify tourism industry:

- Transportation: Aviation, maritime companies, railways, auto-car /coach and car hire companies.
- Inland waterway operations: Cruising, excursion and hire.
- Tourism accommodations: Hotels, motels, holiday camps, holiday clubs and holiday villages.
- Travel agents: Sale agencies, corporate travel agents.
- Tour operators: Official tourist organizations, inbound and outbound.
- Travel Medias.
- Various tourist organizations: Head of Travel/Tourism Studies at University, College or School, Congress and Convention Centre, Promoters, Golf Courses, major Tourist Attractions, Hotel and Travel Agents Associations.
- Travel and Tourism Consultancies.
- Restaurants.
- Spas. (Skål International, Statutes 2014.)

According to Article I – Section 1 (a) Active member have to work full-time in their position and have at least of three years’ experience in the travel and tourism industry.

Ministers for Tourism, seniors officials within embassies and consulates and other senior officials of government organization responsible full-time for the promotion of tourism (whether stationed in their own country or abroad) on behalf of a country, city/town, province or region may become a member of Skål. (Skål International, Statutes 2014.)

A membership proposal form must be submitted via the Club to the Secretariat. It will be effected right after approval by Skål International. (Skål International, Statutes 2014.)

#### **4.1.3 Skål and communication**

As the world largest travel and tourism professional association, Skål International is one of the most appropriate global associations representing all branches of travel and tourism industry to reward and focus on quality of the industry. (For more details information, please log onto website: [www.skål.org](http://www.skål.org).)

Skål News magazine, also available online publish 4 times a years - annual worldwide directory. Bulletins published by National Committees and newsletters by clubs members.

The “What is Skål” brochure and booklet, the PR practical guidelines for clubs, and the identity of Skål are also use for marketing communications’ purpose.

Skål International also doing worldwide project on peace and quality in tourism, environment and children protection, and young students and professionals in tourism.

Skål International cooperated with numerous of international cooperation, such as a member of IIPT, affiliate member of the UNWTO and part of the Task Force for the Protection of Children from sexual exploitation in Tourism (Skål – UNWTO – EXPAT: [www.world-toursim.org](http://www.world-toursim.org).)

Skål supports and is a sponsor of the Code of Conduct issued by ECPAT. The organization is in the EXPAT campaign to protect children from trafficking through the internet signing on the website. [www.make-IT-safe.net](http://www.make-IT-safe.net).

Skål initiated a Petition against the Sexual Exploitation of Children in Tourism - the Tsunami fund for the children.

Skål International is protecting environment and promotes sustainability through its International Sustainable Development in Tourism Awards project launched in 2002, following the UN declaration of 2002 as the year of Ecotourism and the Mountains.

Skål International's central theme is: "Tourism through Friendship and Peace", and working toward the idea of the world peace. Skål aims for quality in Tourism and has launched the Quality Awards. Skål promotes ethics in business through the Global Code of Ethics in Tourism which is rule for sustainable development in tourism. Skål is among the protection of children from exploitation in travel and tourism.

Through activities of Skål International, we may easily realize the strategic communication tool the organization used are advertising, PR, sponsoring and corporate branding.

## **4.2 Young Skål**

Young Skål is a category of Skål International especially for undergraduates and young professional, directly interconnected to the travel and tourism industry. (Skål International, 2014.)

By the year of 1999, Young Skål group was set up by Skål International with the aim of generating a better awareness of Skål International by those for training or working in the various sectors of the industry. The idea behind Young Skål is to ensure that its Clubs may attract more new and young professionals who qualified and become active members. (Skål International, 2014.)

Young Skål is a student and young professional NPO which is openly related to hotels, leisure and tourism industry. Young Skål is a restricted category, which means group members are not eligible to full Skål International membership or to hold office or vote in the sponsoring Club or at any level in Skål International. Young Skål members may only attend events, national and international congresses or in case of exclusively invited. (Skål International, 2014.)

At least 20 members may form a Young Skål Group. Young Skål international membership fee remains at 10 euros. In order to become a Young Skål, members have to meet the following requirements:

- To be a student at an authorized educational establishment which grants a degree or recognized diploma upon completion of studies
- To be a young professional training for or working in the industry
- To be at least 18 years old and not older than 29
- To agree with and accept the objectives and regulation of the Young Skål Group. (Skål International, Statutes 2012.)

The objectives of Young Skål settle to develop friendship and shared single-mindedness between students and young professional, inspire and support in the tourism education or experience of other members by participating in Skål events, cooperate voluntarily in all Skål activities and the organization set up by sponsoring Club, promote training opportunities for its members and to gain professional experience with the support of the local Club. It is also ensure that Young Skål members are fully aware of Skål, locally, nationally and internationally, and take part in an international network of Young Skål Groups. (Skål International, Statutes 2014.)

### **4.3 The benefits of becoming a member**

Through contributions from Clubs over the world, the Florimond Volckaert Fund supports any Skål member in times of financial need or crisis. (Skål International 2014.)

As a “Skålleague” - used among the organization between Skål members, membership of the Association will be recognized many ways. With Skål International Membership Card, members entitles to discounts and special offers providing by Skål members. Special offers for Skål member from benefits link on Skål website through “Preferred Contacts”. (Skål International 2014.)

Through Skål International official website: [www.skall.org](http://www.skall.org), the network of Skål member is accessible close to 23,000 information on member’s contacts at a fingertips. (Skål International 2014.)

Skål is an idea way to meet new professionals. Skål members are welcome at all events, meeting and workshops as well as Skål International World Congress annually. Complimentary use of Skål stands at major tourism trade shows as World Travel Market and IBT .etc. (Skål International 2014.)

Developing new friends and business network within the travel and tourism industry. Skål News magazine publish four times a year will be a useful information about the organization and it is also an avenue for advertising and marketing. (Skål International 2014.)

The most important factor, when the idea of becoming Skål International member club, the opportunity will benefit Vietnam to promote the country’s image widely to international environment, especially in the travel and tourism industry. Through intensive promotional activities, Vietnam can boost tourism growth by bilateral co-operation in investment and education with the international partners through the organization’s activities and business channels. From the macroeconomic point of view, these remarkable opportunities should be deeply taken into consideration for both Skål International board members and the government of Vietnam.

#### **4.4 SWOT analysis**

SWOT is the abbreviation words of Strengths, Weaknesses, Opportunities, and Threat. SWOT analysis is an effective tool, which used to examine what an organization can

and cannot do, over and done with potential opportunities and threats. The method of SWOT analysis is analyzing environment information from both internal (strengths, weaknesses) and external (opportunities, threats) factors, to determines what can help the organization in achieving its objectives, and what difficulties must be overcome or minimized to accomplish desired results. (Investopedia 2014.)

Table 4. SWOT Analysis of Skål International in Vietnam

<p style="text-align: center;"><b>Strengths</b></p> <ul style="list-style-type: none"> <li>▪ Well-known organization</li> <li>▪ Member' background</li> <li>▪ Beneficiaries</li> </ul>	<p style="text-align: center;"><b>Weaknesses</b></p> <ul style="list-style-type: none"> <li>▪ Lacking of funds</li> <li>▪ Age profile</li> <li>▪ Un-known in Vietnam</li> </ul>
<p style="text-align: center;"><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>▪ Co-operation possibilities</li> <li>▪ International market place</li> <li>▪ Sponsorship</li> </ul>	<p style="text-align: center;"><b>Threats</b></p> <ul style="list-style-type: none"> <li>▪ Corruption</li> <li>▪ Fundraising</li> <li>▪ Competitors</li> </ul>

#### 4.4.1 Strengths

The first and foremost strength that Skål International Club Vietnam will have is that Skål International is one of the biggest well-known professional organizations in travel and tourism industry which has been represented 89 countries members.

The members will have through the organization connect to professionals, managers, leaderships in travel and tourism industry, achieve networking opportunities, co-operation in various business fields, especially education and encouraging business relationships among members.

Table 5. Countries Member of Skål International. (Skål International 2014.)

<b>Continental</b>	<b>Members countries/states</b>
<b>America</b>	Argentina, Bahamas, Bermuda, Bolivia, Brasil, Canada, Chile, Colombia, Ecuador, El Salvador, Guatemala, Honduras, Jamaica, Mexico, Panama, Paraguay, Peru, Uruguay, USA, Venezuela
<b>Africa</b>	Egypt, Ethiopia, Ghana, Kenya, Mauritius, Nigeria, Tanzania, South Africa, Uganda, Zimbabwe
<b>Asia</b>	Azerbaijan, Bahrain, Bangladesh, Cambodia, China, Guam, Hong Kong, India, Indonesia, Israel, Japan, Jordan, Korea, Lebanon, Macau, Malaysia, Myanmar, Nepal, Philippines, Singapore, Sri Lanka, Taiwan, Thailand, United Arab Emirates, <b>Vietnam</b> , Yemen
<b>Europe</b>	Andorra, Armenia, Austria, Bulgaria, Croatia, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Malta, Monaco, Netherlands, Norway, Portugal, Romania, Slovenia, Spain, Sweden, Switzerland, Turkey, United Kingdom.
<b>Ocenia</b>	Australia, Fiji, New Zealand, Papua New Guinea, Vanuatu

#### 4.4.2 Weaknesses

The biggest weaknesses for Skål International Club Vietnam are that it will be a small association, and still an under-project plan. In order to promote its project and membership development process may need a period of time to reach it goals.

As for many NPOs, funding will be a headache for Skål International Club Vietnam. Basically, the main sources are the membership fees. However, as it is under-project planned, therefore, finding sponsors could reduce difficulties especially in the beginning.

The average age of the Skål International members is very high: 45-50 with 10535 men and 5758 women (Skål International 2014.), therefore Skål International Club Vietnam should only focus on young professional 25-40, who are active in the industry.



#### **4.4.3 Opportunities**

Vietnam is developing comprehensively in the areas of economics, social, technological and especially in tourism industry. The GoV recognizes the threat that the corruption poses to its legitimacy. So far, actions to clamp down on graft by simplicity legal procedures for NGOs operate in Vietnam. VUFO, COMINGO and PACCOM has established to assist and facilitate on different issues relating NGOs activities.

Another opportunity must be pointed out here is the fact that there was already one active member bases in Hanoi, Vietnam who is managing director of Wanderlust – Mr. Vu Cong Thanh, email: [infor@wanderlustvietnam.com](mailto:infor@wanderlustvietnam.com). Significantly, from the UK there was also Mr Steven Poole, email: [s.poole1984@yahoo.co.uk](mailto:s.poole1984@yahoo.co.uk), who intent to involve in this project.

#### **4.4.4 Threats**

One of the biggest threats of Skål International project in Vietnam is fundraising. Since it is a NPO, it is very difficult to start with its project without any budget or sponsorship funds. Beside, corruption among government officials poses another threat to the acceptability.

Competitors such as VITA, PATA, The Responsible Travel Club of Vietnam, etc. are also considered as a factor of threat for Skål International Club Vietnam. However, the scale of activities as well as reputation, and brand awareness may not compare to Skål International.

#### **4.5 Organizational problems of non-governmental organizations**

This analysis provides more perception that defines the organizational problems of NGOs and evaluates the solutions in order to contribute in the improvement of a new strategies for a NGO like Skål International Club Vietnam.

### 4.5.1 Introduction

The non-government division is on the rise of worldwide phenomenon. Organizations across the globe reason for growing and extraordinary figures in the employment, revenue, services providing, and .etc. NGOs concerned with development face many problems in management fields including strategic planning, budgeting, organizations' governance structure, organizations' staff and the change within the organization, .etc. In addition, external factors such as the relationship with local government, private sectors, target communities, and especially from other NGOs. There are many matters of argument within the nongovernment literatures, and the nongovernment's communities as long as the internal and external issues have managed.

Over the past decades, NGOs have become major performers in the field of international development. The NGOs sector in both developed and developing countries has well-informed growth. The structures of NGOs show a discrepancy. They can be global hierarchic, either strong central authority or a more local arrangement. Alternatively, NGOs may be established in a single country or operated multinational. With the enlargement of communications, more locally-based groups referred to as grass-roots organizations or community based organizations, have become active at the national or even the global level. Progressively, this comes to pass through the formation coalitions. (Willetts 2006.)

Table 6. Changes in Terminology Covering NGOs (Willetts 2006.)

<b>Level of Organization</b>	<b>From 1945 – Early 1990s</b>	<b>Early 1990s onward</b>
<b>Local</b>	National NGO, at the UN not discussed elsewhere	Grass-roots, community based or civil society organization, or local NGO
<b>Provincial (USA – state)</b>	National NGO, at the UN not discussed elsewhere	Civil society organization, or local NGO
<b>National</b>	National NGO, at the UN NGO, outside the UN	NGO, or national NGO, or civil society organization

<b>Regional</b>	INGO	NGO, or civil society organization
<b>Global</b>	INGO	NGO, or major group, or civil society organization

#### 4.5.2 Analysis

Study into this area created a number of mutual problems and predicaments that NGOs knowledgeable. One of the most mentioned is the “decision-making processes”. Tensions often occurred between staff and management board, since staffs expect that everybody would be equal in the decision making process. (Mukasa 2006.) Another common problem is dealing with the “governance of the organization and the relations between board members and staff.” The board is incompetence or willing not to carry out their accountabilities of governing organizations. Board members often lacked of capability and time carrying out these responsibilities effectively. Senior staffs often left to make strategy decisions, or un-supported from board members. (Mukasa 2006.) “Governance and decision making”, NGOs’ governance seems like complexity pictures. Almost nonprofits are governed by self-perpetuating, largely self-appointing boards of directors. (Lewis 1998.)

Other problems regarding staff, such as: recruitment, HR development and administration, assignment, expatriate, .etc. NGOs at weak staff career development level often lack of career structure in which staff could develop. Budget for staff training is also a serious issue when organizations expanding rapidly. Salary usually lower than typically paid from private sector, and not or people who working for NGOs are volunteers. Volunteers only invest their free time to fulfill for duties or gaining experiences future career. The lacking of organizational and professional skill they are, the important of training NGO workers’ programs have been discussed. (Mukasa 2006.)

Fund raising activities were often the cause of much tension in NGOs. The plans and strategies used to raise funds from the community were often sensed compromise the nature of the work done by other members of staff. The difficulties of managing NGOs with operation in multi-nation also raised concern. The problems came from autonomy on policy. Headquarters staffs have too much power which control the field

staff, whether lacking of understanding of the local issues they are dealing while the interests within the organization were addressed adequately. (Mukasa 2006.)

Funding such large budgets demands considerable fundraising efforts on the part of most NGOs. Most important sources of NGO funding include membership fees, the sale of goods, product and services, grants from international institutions or national government, and private sponsors. Although, the term NGOs designate independence of government, but their funding activities are still controlled heavily by local governments.

The most frequently identified weakness of the sector including limited financial and administration expertise, limited organized ability, low levels of self-sustainability, lack of inter-organizational communication and coordination, misunderstanding of broader social or economic context. (Malena 1995.)

Structure growth may cause another problem for NGOs. Once NGO is successful after its establishment or operation, small business worldwide commonly face the problems of replacing one-person/family management with a more institutionalized structure. The founders are used to controlling and managing the organization on their ways. It is problematically to persuade them to create independent management or experts roles, or respect the authority and autonomy of independent managers and experts. (Moore & Stewart 1998.)

The evaluation problem is the most immediately problem for NGOs. Perform evaluations in different organizations are different. Few public organizations are like posy office, while many development NGOs prefer their activities experimentally rather than routine, and their goal often tangible. (Moore & Stewart 1998.)

The economies of scale problem, is that most NGOs are small. They are lacking of specialist knowledge and economical access to the organization management level. For instance, people may be aware that “staff development” is very important, but having little idea how to achieve that. (Moore & Stewart 1998.)

A volunteer relationship is a meaning of “activities in which time given freely to benefit another person, group or organization.” Organizational volunteering can be defined as proactive for instance participating to serve free lunch for elderly people every rather than helping people who are victim of accident, and entails commitment of time and effort. (Lewis 1998.)

Mission, effectiveness, and accountability for NGOs to succeed, it need to fulfill a mission that is valuable for the society, staff, boards, and founder members. NGOs must create value within operational and environmental constraints, other than those challenged by corporations and more opaque than those confronted by the government. (Lewis 1998.)

The main future needs for NGOs are more funds and staffs. It is possible to say that, NGOs nowadays desire more paid staff. Youngers NGOs appear in realistically need information and management advices.

#### **4.5.3 Solutions**

Balancing the needs of the different stakeholders for an equal right to the decision-making process may create several management problems for NGOs. As a solution for tensions problem between field offices and headquarters, a tendency is offering decentralization in which some power is devolved to field level. Effectively, this solution may increasing bureaucracy as organizations devolving power, on the other hand it tend to set up a control measures within the organization. (Moore & Stewart 1998.)

To develop an organization individual need to contribute in the decision-making process, understanding their responsibility, supporting the implementation plan, and improving their organizational management skills whenever needed. (Moore & Stewart 1998.)

NGOs should to make tactical relationship with the government and local authorities. It can be helpful when a NGOs just plan a new project, or activities in a foreign country where the might face plenty of issues like legal, procedures, and community, .etc.

The foreign NGOs also need to know who they are going to working with on the issues relating at the national or international level. Common goals and coordinated strategies shall be achieved by a strategic plan.

NGOs could form voluntary national professional associations, such as association of managers, accountants, or professionals who are working in certain industry and aimed at promoting the sectors, partly-policing of standards. The solutions list may include following issues:

- Issues to be included in the annual report such as degree of disclosure of assets and liabilities, of salaries and all other benefits paid of staff, management boards, and consultants
- Employment, recruitment, and staff development policies and practices
- Sources and finance
- Arrangements for internal or external scrutiny of financial transactions, employment practice, organization policies, and .etc.
- Arrangements for the evaluation of organizational performance. (Moore & Stewart 1998.)

#### **4.5.4 Conclusion**

Increased examination of NGOs will not only allow us to more fully describe the field of organizational types under corporate, government or non-government, and their communicative characteristic and dynamics but also will provide a wealth of opportunities to validate and question our current theoretical assumptions that have essentially been based on the empirical picture presented in corporate organization. (Lewis 1998.)

There were many optimistic changes in development policy and practice that can be related to the better role and profile of NGOs, including the growth of participatory planning techniques, the integration of gender regards into majority development thinking and the ongoing advocacy of human rights and environmental concerns. Various kinds of NGOs will continue play important roles as actors in development processes. (Lewis 1998.)

## 5 Research Methodology

A methodology is usually a guideline system for solving a problem, with specific component such as phases, tasks, method, techniques and tools. A methodology can be considered to include multiple methods, each as applied to various facets of the whole scope of the methodology. The research can be divided between two parts: qualitative research and quantitative research. (Proctor 2005, 190.)

In survey research, a questionnaire is the research instrument designed to generate the data necessary for accomplishing a project's research objectives. It standardizes the wording and sequence of questions in order that each respondent is asked to provide information in exactly the same manner. (Wilson 2006, 162.)

Proctor (2005, 190.) notes that: "Questionnaires can be employed during the conducting of a survey, including mail surveys, telephone interviews, formal structured personal interviews and self-administered studies."

### 5.1 Data collection

When investigating and researching information for the project: the by-law, statutes of Skål International, and the guidelines from MOCST, and administrative procedures, the information that also needs to be collected should tell us what kind of communication Skål International is using at the moment. This study want to know more about Skål International old ideas and therefore developing these ideas in a modern way in order to fit for Skål International Club Vietnam.

The project also needs the information when searching for answers of how the new club can expand its brand image through a strategic marketing plan to attract potential customers. Group focus allows discerning a topic of Vietnam travel and tourism industry in depth through group discussion, for instance about reactions to an experience or suggestion, understanding common, complaints among the industry problems and opportunities etc.

Tourism organizations and companies' information are collected by internet database searching. Professional information is given by telephone calls and from business partners, friends and people who working in tourism industry as well as high position persons in the government board.

## **5.2 Literature review**

Secondary data from the NGOs, VN charity as well as NPOs literatures was studied but the data on the subjects are limited. This study, therefore adopts the exploratory documents from Skål International and legal procedures issued by GoV. This methodology is valuable for identifying key issues for future study.

Literatures were collected primarily through interviews with relevant stakeholders, including beneficiaries and Skål International. Articles which are literature review types of summarize managerial and organizational problems of NGOs will provide solutions of these problems. Literatures were reviewed as a practical guides for model research of NPO and NGO.

Additionally, as a Young Skål of Skål International Club Helsinki and the author was able to gather information from Skål International, and the right of observation and formal interaction with COMINGO, PACCOM, VUFO and VNAT about difficulties concerning Skål International project in Vietnam.

The author was able to make use of existing documents in which Skål International had conducted a volume of internal and external statistics, evaluations on aspects of its activities.

## **5.3 Benchmarking**

With the aim of successful in business, a company needs to evaluate its performance in a consistent manner. Businesses plan, as a result have to set standards for themselves, and measure their processes and performance against recognized industry leaders or against best practices from other industries, which operate in a similar environment.



This is commonly referred to as benchmarking, in management parlance.  
(Tutorialspoint 2014.)

According to businessdictionary.com, benchmarking is defined as: “A measurement of the quality of an organization’s policies, products, programs, strategies, etc., and their comparison with standard measurements, or similar measurements of its peers.” (Businessdictionary 2014.)

The benchmarking process is relatively uncomplicated, because of some knowledge and a practical dent is all that needed to make such a process, a success. Hence, for the benefit of corporate executives, students and the interested general populace, the key steps in the benchmarking process are highlighted as below:

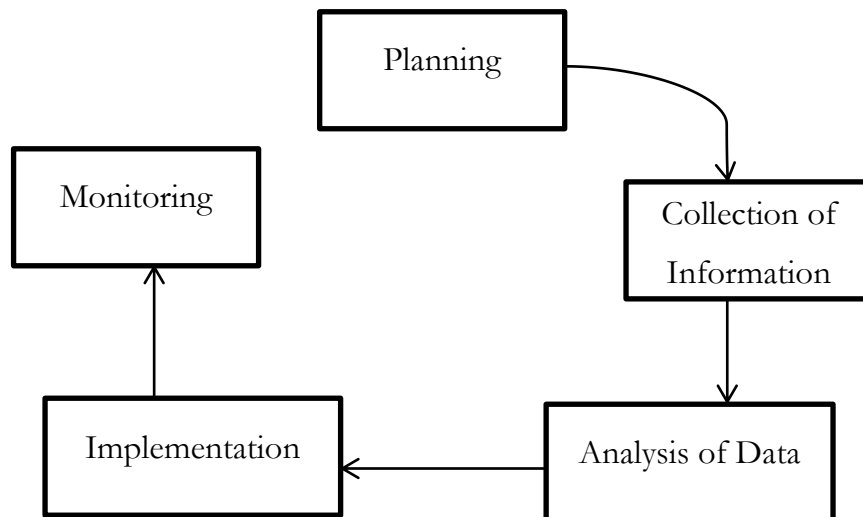


Figure 2: Benchmarking Process (Tutorialpoint 2014.)

The objectives of benchmarking are supports to determine what and where improvements, analysis how other organizations achieve their high performance levels and use this information to improve performance. By identifying areas for improvement and rectification, in this project, benchmarking is used as a tool in order to find best suitable members to form a Skål International Club in Vietnam.

## 6 Strategic Marketing Plan

This chapter comprehends the strategic organizational marketing plan, communication strategies and details of the project planning, which will show how the project is going to proceed.

### 6.1 Strategic organizational marketing plan process

One of the most important questions for organization when planning a marketing process is: “where and how marketing thinking will really fit our organization, particularly at the highest management level?” In order to carry out an organizational marketing plan, these following questions should also be taken into account:

- Who are our target customers or clients do we wish to serve?
- Where will we get our resources?
- How do we attract volunteers?
- How do we position ourselves against similar and competitive organization?
- What approaches will we use to reach target customers? (Andreasen & Kotler 2003, 65.)

The procedure for carrying out strategic planning in marketing at organizational level has been known as OMPP. The OMPP is structured into three stages: analysis, strategy and implementation. (Please see Figure 3.)

For the first stage, marketing manager has to analyze the organization and the external environment of which the organization must operate. Ongoing as a result of study the organization’s SWOT, its mission, objectives and goals for marketing challenges. The analysis should also consist of looking outside the external environment under PEST analysis, especially the publics it will target and competitors. (Andreasen & Kotler 2003, 65.)

In the second stage, when marketing manager developing broad strategy that guide the organization’s overall marketing strength and its specifics. There are two part in this

stage, to begin with setting marketing objectives and goals after that identifying core marketing strategy. (Andreasen & Kotler 2003, 65.)

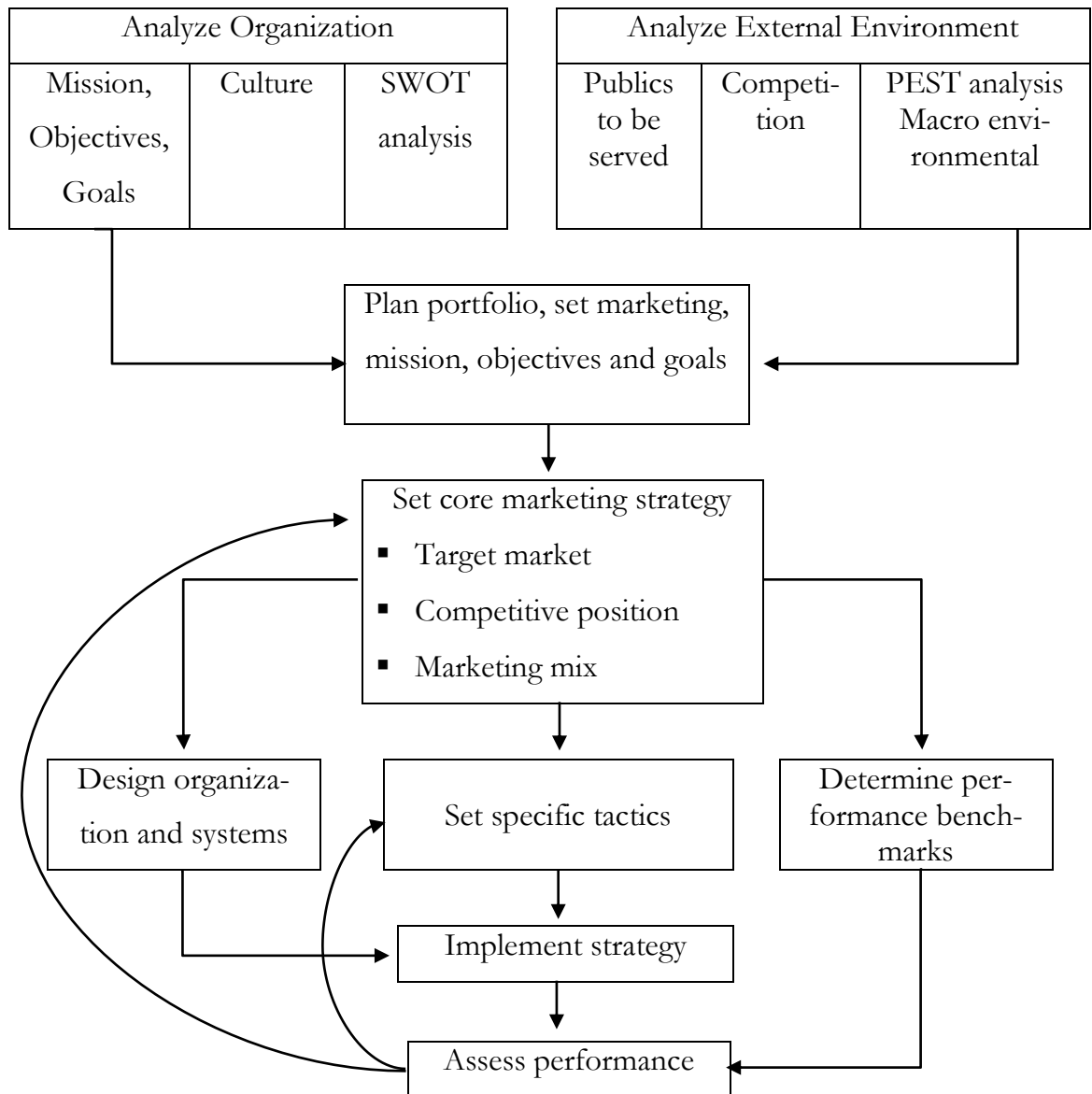


Figure 3. Strategic Organizational Marketing Plan Process. (Andreasen & Kotler 2003, 66.)

The last stage consists of specific market target s, competitive positioning, and key elements of the marketing mix. The core strategy will be conducted as the framework which developing various campaigns. For effective marketing at both organizational and campaign level an appropriate and effective structure must be created and carried out, measure and control systematically. (Andreasen & Kotler 2003, 65.)

## 6.2 Marketing communication mix

Communication is “the process by which individuals share meaning.” (Fill 2002, 30.) Albaum et al. (2005, 508.) define communication as supply of information that buyers need in order to make purchasing decision.

De Pelsmacker et al. (2004, 3.) explain marketing communications briefly as the most visible factor of the marketing mix involving - “all instruments by means of which organization communicates with its target groups and stakeholders to promote its products or the organization as a whole.”

Through different kind of communication methods and instruments, organization attempt to evoke demand, raise interest, or revise attitudes toward products, services and opinions or other issues chosen by marketer. Outcomes could be striven to achieve either directly or indirectly. The price and associated values, the product, in terms of the quality, design and tangible attributes, the manner and efficiency of the service delivery people and where and how it is made available, for example the location, Web site, customer contact centers, retailer/dealer reputation and overall service quality need to be perceived by customers as a coordinated and consistent whole. (Fill 2005, 298.)

Effective marketing communication is that communication is carefully planned, implemented and integrated with the organization’s overall marketing strategy. It is important to consider the use of different marketing communication mix tools. Marketing communication instruments is allocated into ten different categories, which are: advertising, personal selling, sale promotions, public relations, direct marketing, sponsoring, trade shows, e-communication, after sale and word of mouth (WOM) communication. (De Pelsmacker et al. 2007, 8-9.)

Nevertheless, this categorization of marketing communication instruments is not an exact matter as categories overlap each other and single mean of marketing categories and synchronous between several instruments is the starting point toward integration of marketing communication (De Pelsmacker et al. 2007, 8-9.)

Subsequently, the most important marketing communication instruments in different project are discussed more narrowly.

Table 7. The Concept of Designing Promotional Activities. (Kotler 2001.)

Promotional Element	Mass Versus Customized	Payment	Strengths	Weaknesses
Advertising	Mass	Fees paid for space or time	<ul style="list-style-type: none"> <li>▪ Efficient means for reaching large numbers of people</li> </ul>	<ul style="list-style-type: none"> <li>▪ High absolute costs</li> <li>▪ Difficult to receive good feedback</li> </ul>
Personal selling	Customized	Fees paid to salespeople as either salaries or commissions	<ul style="list-style-type: none"> <li>▪ Immediate feedback</li> <li>▪ Very persuasive</li> <li>▪ Can select audience</li> <li>▪ Can give complex information</li> </ul>	<ul style="list-style-type: none"> <li>▪ Extremely expensive per exposure</li> <li>▪ Messages may differ between salespeople</li> </ul>
Public relations	Mass	No direct payment to media	<ul style="list-style-type: none"> <li>▪ Often most credible source in the consumer mind</li> </ul>	<ul style="list-style-type: none"> <li>▪ Difficult to get media cooperation</li> </ul>
Sale promotion	Mass	Wide range of fees paid, depending on promotion selected	<ul style="list-style-type: none"> <li>▪ Effect at changing behavior in short run</li> </ul>	<ul style="list-style-type: none"> <li>▪ Easily abused</li> <li>▪ Can lead to promotion</li> </ul>

		lected	<ul style="list-style-type: none"> <li>▪ Very flexible</li> </ul>	wars <ul style="list-style-type: none"> <li>▪ Easily duplicated</li> </ul>
Direct marketing	Customized	Cost of communication through mail, telephone or computer	<ul style="list-style-type: none"> <li>▪ Messages can be prepared quickly</li> <li>▪ Facilitates relationship with customer</li> </ul>	<ul style="list-style-type: none"> <li>▪ Declining customer response</li> <li>▪ Database management is expensive</li> </ul>

### 6.3 Integrated marketing communication

IMC is the matching and integration of all marketing communication tools, opportunity and sources within a company into a seamless program that maximizes the impact on target customers and other stakeholders at a minimal cost. In noticeable fact, Kotler et al 1999, IMC was defined as: “the concept under which a company carefully integrates and coordinates its communications channels to deliver a clear, consistent and compelling message about the organization and its products.” Only few years late, Kotler (2003) maintained: “IMC as a way of looking at the whole marketing process from the viewpoint of the customer.”

According to Percy 2008: “IMC is the process of developing and implementing various forms of persuasive communication programs with customers and prospects over time.” (Percy 2008. 6.)

It is critical to think through IMC as a process, not only a thing. Since, the goal of IMC is to influence or directly affect the behavior of the selected communication audiences. Furthermore, IMC makes use of all forms of communication, which are relevant to the customers and prospects, and to which the might be interested.

Effective IMC should certainly encourage strong customer relationships, but does that through operative planning in order to develop an integrated communication program

that will optimize specific communication objectives that lead to a desired behavior on the part of a target audience.

A strategic planning of IMC must base upon a rigorous planning process that will identify appropriate target audiences, set specific communication that will accomplish those objectives in a consistent way, and find the best ways of delivering the message.

In this study, IMC is really all about scheduling a plan in order to deliver a consistent message to through social network as: Facebook, LinkedIn, YouTube .etc.

Table 8. Integrated Marketing Communication Tools (Wood 2007, 157.)

<b>Communication Tools</b>	<b>Types of Controllers</b>	<b>Descriptions</b>
Advertising	Non-personal, marketer controlled and funded.	Television, radio, newspaper or magazine, cinema, posters and billboards, transport, internet, CD or DVD.
Sale promotion	Non-personal, marketer controlled and funded.	Customer sales promotion, channel and sales force promotion.
Public relation	Either personal or non-personal, not directly marketer controlled and funded.	Media relations, event sponsorship, speeches and publications, philanthropy, voluntary work, lobbying, product placement.
Direct marketing	Either personal or non-personal, marketer controlled and funded.	Direct mail and catalogues, telemarketing, email and internet, fax, direct sales.
Personal selling	Personal, marketer controlled and funded.	Organization's sale force, agency representatives.

## **6.4 E-Marketing**

E-marketing is simply known as marketing online whether via websites, online ads, and opt-in email, mobile or interactive TV. E-marketing involves getting closer to customer, understanding customer needs and wants, and maintaining a dialogue with them. It is boarder than e-commerce since e-marketing is not limited to transactions between an organization and its stakeholders, but including all processed related to marketing. (Chaffey & Smith 2013, 15.)

E-marketing is the process of marketing and promoting products and services over the internet. The benefits of e-marketing including global reach, lower cost, traceable, measurable results, personalization, openness, social currency, improve conversion rates. (Businesslink 2014.)

The following e-marketing channels are ways to reach target customers. Firstly, channels are analyzed. After knowing which ones are the most convenient channels, recommendations to Skål International Club Vietnam will be made.

### **6.4.1 Search engine marketing**

SEM has to main disciplines are SEO and PPC. The term of SEO is boosting a company's position in the nature search listings, and paid marketing which used sponsors adds, typically on PPC. (Chaffey & Smith 2013, 35.)

Chaffey & Smith (2013, 35) assumed that: "SEM is a way of placing messages on a search engine, encouraging click through to a web site when the user types a specific keyword phrase."

The alternative word of SEM belongs to marketing applied to web search engine. It is a new media. It is also the best way to increase the visibility of a website, and so, through this way, it increases the notoriety of the brand. Its objective is to place a website among the first engine results under: Google, Yahoo, MSN, Baidu, and Zing etc. on research related to its field of activity. (Marketing-digital 2012.)



Skål International Club Vietnam could buy for example 100 keywords it has deemed relevant (according to a preliminary study). Thus, when a user enters one of the keywords belonging to the list of words selected by the organization, its website appears in the first results of the search engine in the form of sponsored links.

Afterwards, the price for a keyword is set according to the number of clicks received. This means, the more the keyword is used by the internet users, the higher is its price. Per average, the price is 0.40€ per word. (Marketing-digital 2014.)

SEO is a way free of charge. The objective of this process is to guide the positioning of a web page in search engines results on keywords corresponding to the main themes of the site. It is generally considered that the positioning of a site is good when it is positioned or listed in one of the top ten answers in a search on keywords corresponding precisely to its theme. In SEO, the position is obtained from the score assigned to the page by the algorithm of the search engine on a given query. One way to get a high score is to create quality content on various blogs.

Another way to get a good position in the research engine is to participate to several forums and add as a “signature” the link of your website. The more your site is present on the web, the more chance you have to be well positioned and be viewed by someone.

This is a really good way for Skål International Club Vietnam to get a big traffic to its webpage. This will permit to gain in notoriety and contribute to its brand building. Indeed, internet is the best way to get the largest number of customers. We no longer need to spend billions of dollars or be a Multinational Corporation to meet people from other countries. Nowadays, information is shared at an astonishing speed. Additionally, almost all information searches are done on search engines, so put your website at the top of the results is a very effective way to reach customers. Moreover, the return on investment is particularly high in this type of support.

#### 6.4.2 Internet marketing

Many companies and organizations are taking advantages of online technologies to start or expand international trade. They choose web-sites as the main channel for getting information about goods or services, finding suppliers, marketing their products and spreading them into new markets as they try to build a virtual value chain online. International traders can browse through catalog repositories, B2B exchanges, electronic journals, electronic trade boards, and, of course, virtual trade shows to search for a market for their export or a product to import. (Daniels et al. 2011.)

Whereas any segment on the societal impact of the web could include the thousands of clubs, societies, and interest groups we will concentrate on those organizations that exist as entities beyond informal collections of individuals as, public sector like national and local government, police, hospital, .etc, funded institution for instance political parties, or religions, and charities, including support groups, self-help well-known brand as Red Cross Society, .etc. (Charlesworth 18.)

Often considered Skål International is a NPO, marketing in the not-for-profit and public sectors is perhaps amongst the most difficult understandings for the profession. The reason is because the standard marketing mix seems difficult to apply (rarely tangible product, for instance), but such organizations are market-oriented.

Another problem regarding further is stakeholder satisfaction. In the commercial model, stakeholders are normally satisfied by steady profits, security, healthy attitude and conditions towards the environment. In not-for-profit, stakeholders can demand more marketing attention than actual consumers. This is reflected in many not-for-profit websites are more geared towards ticking funding criteria boxes than improving the service to the customer. (Charlesworth 18 – 19.)

#### ❖ Website

Web site is the collection of papers of an individual or organization based on a computer network and unified under a single address. All web sites on the internet together form the World Wide Web (www). For direct client access to web sites on the server

has been designed protocol HTTP. Web sites are also called internet-representation of a person or organization. (Mckinsey 2011.)

Originally a web site is a set of static documents. Currently, most of them are characterized by dynamism and interactivity. For such cases, experts use the term of web application – a ready software for solving problems of the website. Web application is part of the website, but the web application without these sites is only technically. (Mckinsey 2011.)

As a major step of a company/organization to conduct e-marketing is create a website. However, marketer should design attractive sites that making consumers to visit and explore the website regularly.

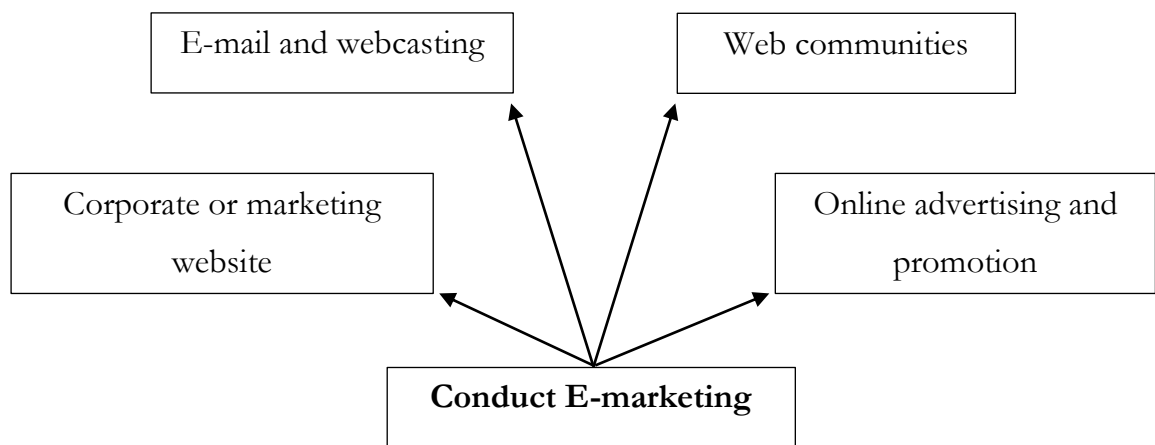


Figure 4. Setting Up for e-Marketing (Kotler & Armstrong 2004, 86.)

Building a website has numerous of purposes and contents, but two types mainly known are corporate website for building customer goodwill and a marketing website to engage consumers in an interaction.

Corporate website is common used type of website. These website are determined for building customer goodwill, supplementing other sale channels, rather than to sell directly to customers. From the website, the company/organization provides variety of information such as history of the company, contact information, products and services, Q&A, .etc. which also use to announce financial performance, upcoming events,

and employment opportunities, and providing customer services via telephone or e-mail, etc. (Kotler & Armstrong 2004, 86.)

Other companies/organizations make a marketing website with the purpose of engage consumers in an interaction that may lead to a direct purchasing or other marketing outcome. Normally, this kind of websites including catalogues, shopping tips, promotion features such as promotion code, coupons, discounts, or contests, etc. (Kotler & Armstrong 2004, 86.)

It should be noted that the online business is developing through advertising and promotion of the home website of the company. Website acts as a sub-branch of the company/organization, which operates around the clock all day and weekends and is located next to each of your customers.

#### ❖ The uses of website

Development of the internet has created a new type of the economy, the pace of growth is so enormous that it has managed to change the very concept of a traditional business. Today, the economy is a system that uses the latest technologies, and its basis is the company that actively transforms your business to the internet.

To make online business successfully you should not be a big company or organization. SMEs or small organizations have the same chances of profitability, and in fact, some previous studies show that these are the companies the driving force of e-commerce.

One of the most important part of the web site is targeting. Target - is the ability to selectively show visitors ads by region, time, interests and passions of the visitor. Your banner or a link to the site is shown only to users who are interested. For instance, if the search promotion link to your site, as shown on request, is not regarded by the buyer as advertising. For the buyer it is just useful information, the selected search engine.

The biggest advantage of online business is that it is available 24 hours a day from anywhere in the world for you and for your customers, and sales are made in the same clock. The actual location of your company or organization does not really matter, because control of the implementation and execution of the information is carried out via the internet.

New technologies can make the entire process of the transaction, including: commercial request, offer, purchase order and invoice. Simplification of business processes allows companies and organizations to dramatically reduce costs.

#### ❖ Placing advertisements and promotions online

E-marketers can consider banner ads and tickers for online advertising to build visual and brand image. In this case, content sponsorships are another form of internet promotion. (Kotler & Armstrong 2004, 86 – 90.)

Viral marketing is an internet vision of WOM marketing including e-mail messages, or other marketing events, which transferrable that customers want to spread the information to their business partners, family, and friends. (Kotler & Armstrong 2004, 86 – 90.)

Online advertising may quickly challenging old media including print media such as books, newspaper, magazines, journals, billboards, .etc. New media of the internet such diverse technologies as web pages, blogs, Facebook, YouTube, LinkedIn, .etc may replace traditional (electronic) media as TV, radio, video recording, .etc. at the mean time because of its reasonable costs if compared to other medias. (Kotler & Armstrong 2004, 90 – 92.)

#### ❖ Opt-in emails and e-mail marketing

For various marketing concept, e-mail can be used with the purpose of sharing information about the company, products and services or basically for a commercial message to a group of people using email. Email marketing is considered in case it is sent to potential customers which include email using advertisements, request business, sale

or donations, and is meant to build loyalty, trust and brand awareness. As an important e-marketing tool, email can be designed before sending with different purposes to target groups through customer database. (Kotler & Armstrong 2004, 93 – 97.)

Opt-in email is a term refers to promotional emails that designed to send out to large lists of recipients, and is specifically requested by individual receiving them. Opt-in email is a powerful online communication tool. As with direct e-mail, it is most widely used for direct response, but e-newsletters in particular can also achieve branding objectives. E-newsletter is an informal publication, often crisp in style and simple in format that provides special data, advices, opinions, also forecasts for a defined audience. E-newsletters are not always issued regularly. Common topics covered in e-newsletters include business and the professions, health, energy, travel and safety. Nowadays the companies simply cannot afford not to use such an important and effective tool to avoid SPAM emails. (Chaffey & Smith 2013, 400 – 401.)

### **6.4.3 Social media marketing**

Social media means different things for different people, to be success in social media is not so much about the different social networks, tools, but the company strategy for how to use them as a part of marketing. Applying social media effectively for communication, marketer must recognize that socializing online is all about participation in discussions and sharing of ideas and content. (Chaffey & Smith 2013, 214.)

Chaffey & Smith (2013, 214) also defined that “social media is the term given to internet and mobilized-based channels and tools that allow users to interact with each other and share contents.” As the same indication, social media “involves the building of communities or networks and encouraging participant and engagement.”

For many organizations including business using social media for the purpose of marketing, public communication as a social platform like office or department to connect directly to their customers and stakeholders with the objective of customers’ engagement.

Social media essentially is a category of online media using web 2.0 technologies, where people are talking, participating, sharing, networking, and bookmarking online. It gives a platform where TV never could - a chance to be engaged and engage others. Thus, social media is of particular interest to businesses. At this time, businesses of all sizes are experimenting with social media marketing, grappling with the question of how to get in on what appears to be an especially viral way to get their messages, and their products out there.

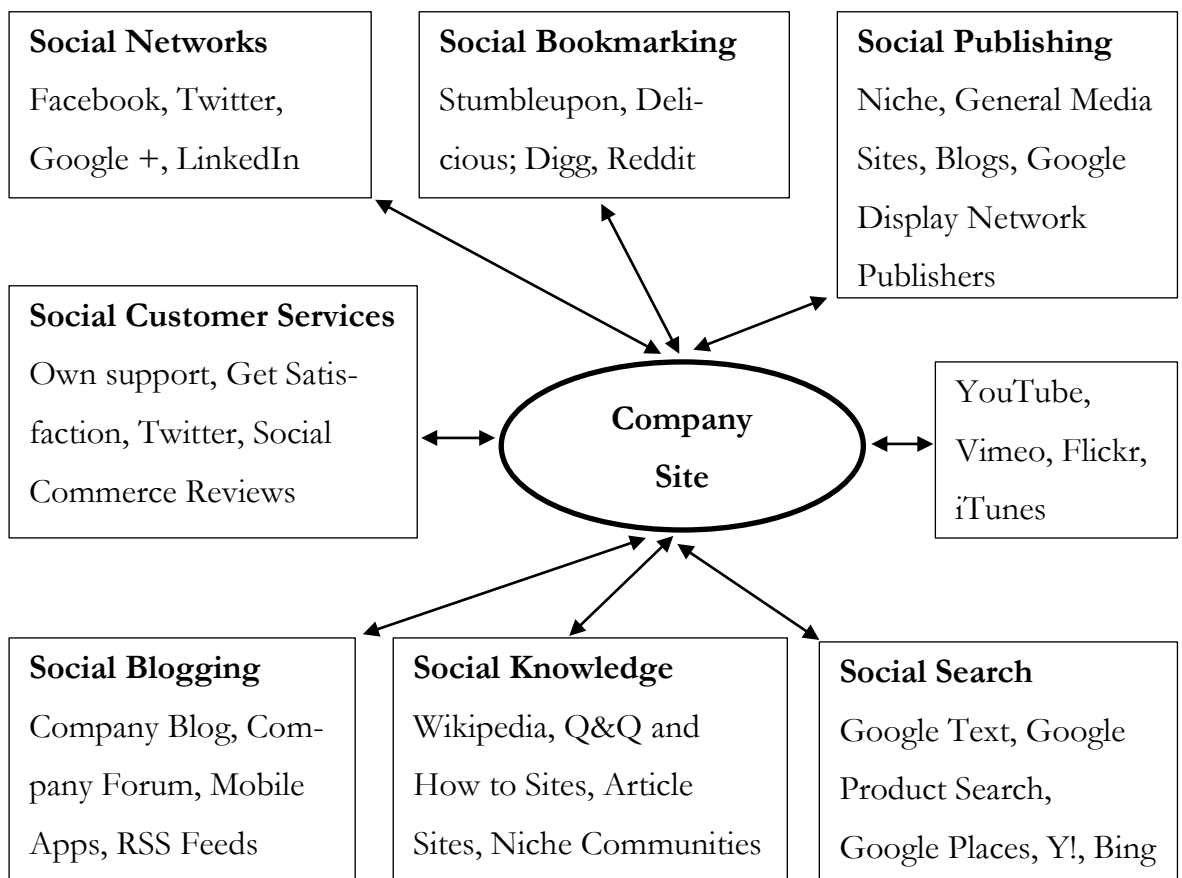


Figure 5. Social Media Marketing Radar (Adapted from Chaffey & Smith 2013, 215.)

Social media marketing as the same WOM powered by technology that link people all around the world through social networks like Facebook, Twitter, LinkedIn, and YouTube .etc. The places where discovering and sharing of social communication happen. Relations are the key to effective business development. Until now, these were made in relation to the result of meetings, human relations or recommendations, but now social networks are changing the game. At present, social networks allow you to

broaden your outlook and differentiate yourself from your competitors by a method of innovative business approach, more efficient and less expensive.

Social Publishing and news – almost newspapers and magazine nowadays, whether board or niche have an online presence with the option to participate through comments on article, blogs or communities. (Chaffey & Smith 2013, 215.)

Social bookmarking – those bookmarking sites like are relatively important design to allow members to submit references (bookmarks) to difference third-party resources on the web, that may including images, videos, blog posts, or many kind of webpages. (Chaffey & Smith 2013, 216.)

Social networks – the core platforms are used to reach the consumer audiences directly like Facebook, while LinkedIn is designed for B2B, and Google + and Twitter for both. (Chaffey & Smith 2013, 215.)

Social customer services – customer support forums, or company's online feedback tools as well as site like: [www.vietnamtravelforum.com](http://www.vietnamtravelforum.com) is increasingly important for responding to customer complains, information all about travel and tourism industry. (Chaffey & Smith 2013, 216.)

Social blogging – a company blog may form the hub of its social media strategy and looking at tapping into others' blogs. (Chaffey & Smith 2013, 215.)

Social knowledge – There are main reference social networks like Yahoo!, Answers, Quora, plus Wikipedia. These sites show how any business can engage its audience by answering, and sharing their similar problems and showing how products have helped others. (Chaffey & Smith 2013, 216.)

Social search – search engines has becoming more social with the ability to tag, comment on the results by putting double quotes (“”) around a keywords, which may consider the exact words in that exact order without any change. For instance, search: “Vietnam travel and tourism industry”. (Chaffey & Smith 2013, 216.)

Business is actively involved in such public areas as politics, economy, social affairs and culture. One of the important roles in the functioning and development of business



systems play public communication, including such key element as social media. Business communications allow such organizations as Skål International Club Vietnam more effectively interact with the market environment through information sharing.

Social media marketing is the way to use that machinery to build relationship, drive duplication business and appeal to new customers through friend's network sharing with friends. The reasons why companies or organizations should use social media are increase its visibility on the internet, find out new customers, customer loyalty and show the modernity of its company. This marketing channel can be used for B2C and B2B market.

It would be interesting to Skål International Vietnam to use these social media to communicate about the organization generally, as well as the information of the new club.

#### ❖ Facebook

Facebook was founded by former Harvard student Mark Zuckerberg in February 2004. From its beginning it spread like wildfire across Harvard and was introduced to Stanford and Yale. Until this year, Facebook has over 1.1 billion active users, more than half of them using Facebook on mobile devices. (Staticbrain 2014.)

User must register before using the site, after that they may create a personal profile, add other users as friends, and exchange messages, including automatic notifications when they update their profile. Additionally, user may join common interest user groups, organized by workplace, school or college, or other characteristics, and categorize their friends into lists such as: family, colleagues or close friends. (Google 2014.)

One can create a profile on the website and edit by themselves via adding pictures, videos and personal information. The profiles can be made public or one can set the settings that only friends can see the profile. In Facebook messages, pictures and videos can be shared with friends or other users. One can participate in groups and like Facebook fan pages of the companies, books, games and others. Besides posting status update, messages that are visible to everyone it is also possible to send private messag-

es. These messages can only be seen by the recipients. Facebook offers various privacy and other settings that helps the user to edit her/his profile as they wish.

As one of the largest online social networking, Facebook expansion continuing across many countries worldwide in recent years. For businesses purpose, Facebook offers the possibility to create its own site that users can “like”. It is a way to easily spread messages and reach customers and target groups. Companies or organizations can also pay to show advertisements on Facebook.

#### ❖ Google +

Google + is simply known as Google with a plus. The “+” is the social networking it adds to all of Google’s other services including YouTube, Gmail, and Blogger. It brings almost popular social media features like music and photo sharing, comments, video chat, etc. to social circle. (Google 2014.)

Unlike Facebook, there are less people but more professionals in Google +. A statistic on 23.10.2013 shows that, Google + has only 300 million monthly active users. For relationships, there is the “circle” system. With Google +, one may have someone in one of their circles even if they did not add each other as friends. People can follow their friend’s latest news, and then they can classify well their different kind of circles. Everybody can decide what to show to which circle. (Nowhereelse 2014.)

There is also the “hangout” system - it is a video conferencing system gathering from 2 to 10 people simultaneously. Use Google + to talk about company or organization and brand in order to build a community. The question of why Google + is a good social media for businesses? Its growth is really fast and it is really easy to use. (Nowhereelse 2014.)

To support a company or organization page, we should post a minimum course content in relation to its industry and its services. Share with a maximum G+ users, comment on other accounts, share links, post photos and videos, interact and organize video-chat or hangouts become deeply involved. (Nowhereelse 2014.)

### ❖ LinkedIn

Nowadays we can find different social networks, but we should tell the difference between leisure social networks and professional social networks. How we have explained before, the leisure social networks are perfects to be connected with your friends, the people in general, but they are informal. This is changed with social networks like LinkedIn, as it provides an important outlet where professionals can stay connected with the exterior world. (LinkedIn 2014.)

A report on August, 2013 showed that LinkedIn operates the world's largest professional network on the Internet with more than 175 million members in over 200 countries and territories, and more than 2 million companies have company pages on LinkedIn. (LinkedIn 2014.)

A lot of executives and companies have profile in LinkedIn because they are professionals and they want to be in contact with more professionals. LinkedIn it is the most important social network for professionals. And we can use for meet new professionals and companies of our sector and we can make new customers and partners improving our networking. (LinkedIn 2014.)

### ❖ Twitter

Headquarter located in San Francisco, California, Twitter was launched in July 2006 by the name of Obvious. Twitter is a free micro blogging service that allows user to send updates. Tweets are text-based posts up to 140 characters which are post to the Twitter website via SMS, IM or third-party application. Currently, it has nearly 700 million active registered users, 58 million average number of tweets per day, and about 43% of them use smart phones. (Tweeter.net 2014.)

As previous social media tools, Twitter is also an important tool to interact with the client. Moreover, Tweeter can be used as a feedback tool, to get surveys or even client supports. With this and other features it may strengthen the brand relationship with the customers.

### ❖ YouTube

YouTube is a video-sharing website, on which users can upload, view and share videos. The website includes movie clips, TV clips, and music videos, as well as amateur content such as video blogging and short original videos. YouTube allows users to upload, view and share video clip in any topic, and it is also possible to make a kind of advertisement via YouTube. (Youtube 2014.)

If the users like their video clips, they are able to share them via Facebook, LinkedIn or Twitter, .etc. That means, numerous of friends and audiences will see the show and get the message or advertisement behind the clips.

### ❖ Blog

Basically, a blog is a journal that available on the web. Blogging is the activity when you update a blog, and blogger is someone who keeps a blog.

A blog is also a website in which articles are posted on a regular basis and displayed in chronologic order. The term of blog is a shortened form of weblog or web log. A blog comprises of text, hypertext, images, and links to other web pages, to video, audio and other files. Blogs use a conversational style of documentation, which focus on a particular topics or areas of interest, such as political, travel tips, or hospitality industry, .etc.

Some of these resources focus especially online, the list below is handful of travel and tourism industry in Vietnam. Extended and continually updated blog roll is available on following websites:

- <http://www.travelfish.org/country/vietnam>
- <http://www.vietnamtravelplan.co.uk/vietnam-travel-blog.htm>
- <http://www.citypassguide.com/vietnam-travel-blog>
- <http://www.urbantravelblog.com/trip/ho-chi-minh-city-vietnam>
- <http://hospitality.vn/#>

#### 6.4.4 Mobile marketing

For many people in the modern world, a mobile device will provide us first digital experience. When mobile marketing comes to communication, social networks are fast developing as a vital platform, not only peer-to-peer communication but for communication between consumers and brand as well. People are using mobile for mainly text messaging, social networking, search information, shopping, entertainment, etc. (Goggin & Hjorth 2009, 8 – 9.)

According to Mobile Marketing Association (MMA), mobile marketing is “a set of practices that enables organizations to communicate and engage with their audience in an interactive and relevant manner through with any mobile device or network.”

Smart phones has changing the face of retail and consumer packaged goods, automotive, financial services, pharmacy and healthcare, publishing and entertainment, especially in travel and hospitality industry.

As advanced devices become more gladly available and marketer and real life purposes become increasingly digitized, the possibilities expand rapidly. Nowadays, we can scan a QR Code to unlock enhanced products, services, information's or tap into competitive pricing.

##### ❖ QR Code

Quick Response Codes (QR Code) are “a type of two-dimensional barcode that can be read by using smartphones and dedicated QR reading devices, that link directly to websites, emails, events, and phone numbers, etc.” It was invented by a subsidiary of the Toyota Group names Denso-Ware in 1994. (Whatisaqr code 2014.)

In modern life, many people are now using smartphones, and the number growing on a daily basis. QR Code has the prospective to become a major influence upon the society, principally in advertising, marketing, and customer service with a wealth of product and service information by one scan click. (Whatisaqr code 2014.)

Originally, barcode is a collection of vertical lines, and QR Code is one type of 2D barcode, although it is probably the most popular. Others popular Barcode formats are: Microsoft Tag, Data Matrix, EZcode. By using QR Code for business and marketing purpose, it is consider that the audiences have high expectations from scanning a QR Code than they want a simple click on a link to a website. Oppositely, many people do not know what a QR Code is and how to use it. (Whatisaqr code 2014.)

#### **6.4.5 Advantages and disadvantages**

Nowadays e –marketing is one of the most popular tools for businesspersons who have opted for managing an online business. Strategic marketing plan by put it in right combination in order to be success in every business environment.

##### **❖ The advantages**

No matter what is the size of business nowadays, e-marketing gives an access to any market at an affordable price and it is good opportunity to truly personalized marketing approach.

Firstly, it is cost reduction. E-marketing campaigns can reach the right customers at a much lower cost than traditional marketing methods.

Secondly, we should mention global marketing reach. E-marketing allows finding and attracting new markets and consumers and trading globally with a small investment. Customer database is a good opportunity to greet every of your customers when they visit your webpage and also refine their profile and provide special offers. E-marketing can be seamless and immediate. E-marketing helps to create successful campaigns thanks to different types of rich media, passed from user to user and becoming viral.

The last advantage is that the measurement of results due to web analytics and metric tools is comparable easy to establish. In few seconds you can receive detailed information about how customers use the internet or respond to your offers. Even though e-marketing has a big plenty of advantages, it also has several negative aspects.

Despite the development of internet technologies and the expansion of social network in all business areas in Vietnam, people still using social media as entertainment purpose, contact person on company's websites sometime are not transparency. This is partly due to fraud, which is not really so much about them as much as they say. In particular, users are afraid to finding opportunities; business offer or really trust each other on social world.

#### ❖ The disadvantages

Internet is most valued information services - financial services, tourism, and all about the information that you want to investigate, etc. By the end of 2000, a crisis of internet companies, these companies have a better chance of survival by using social networks for marketing their companies or organizations.

In spite of the introduction of high speed cable modem and dissemination of technology DSL, many users still have access to the Internet using low-speed modems, which limits the transfer of video advertising. Most advertisers use traditional banner size 468x60 pixels or less. These banners are loaded quickly, but the rate of their "click-" (the number of clicks on an advertising banner in relation to the number of impressions) rarely exceeds 1 %.( Wewantraffic 2012.)

Widely used search engines such as Yahoo! or Google, can find thousands, or millions of web-sites on any subject, which reduces the popularity of a particular page. Some of the most popular websites and other e-resources search engines to attract advertisers to place banner ads and buttons on the main page. For most of the growth of popularity of web-sites, we should know, and on the other pages. (It-bd 2012.)

## **7 Discussions and Recommendations**

After study the theoretical framework, and the ideas came up after the research, this chapter will analyze and discuss more about marketing categories and synchronous between several instruments of marketing communication like sponsoring, trade shows, e-communication, and WOM.

### **7.1 Marketing communication tools to be used**

Every business should have a website, especially a professional organization such as Skål International having a project in Vietnam. It is more important in today world than information as email, or phone number. With the idea of providing information and promoting the project, official website for Skål International Club Vietnam would suggested as an entry to represent itself and be accessible on the internet among the community.

As already mentioned above, Skål International Club Vietnam should focus on especially the media that are used by the target customer, meaning social media. Nearly every target customers have a Facebook and LinkedIn accounts nowadays and they are activated no matter where he/she is. That is why social media such as Facebook and LinkedIn - very important marketing tools for Skål International Club Vietnam are suggested with numerous of benefits offer.

Firstly, as a free social media platform that allows to “personalize” an organization brand, meaning that a target customers can be friends with or be a fan of Skål International Club Vietnam. Plus, a customer can get information about the organization and may be informed when news, events, or happening are updated. Facebook or LinkedIn friendships with an organization or a project manager can strengthen the customer's brand loyalty and as a result, it can be seen as a customer-binding tool in some way.

Apart from this, there are a variety of different travel magazines available nowadays, which span from airlines, travelling to events. Skål International Club Vietnam could benefit by advertising on some magazines that are read by the target customers. But



since advertising in these kinds of magazines is pretty expensive other opportunities such as Facebook advertising should be considered.

Presence in social media is definitely a good solution for Skål International Club Vietnam. Also presence in the most popular targeted LinkedIn professional in tourism and travels groups would work, since advertising on magazines is very expensive not to mention television.

Additional solutions for the project is using marketing communication mix tool. For instance, participating in special events or workshops that individually organize for travel and tourism industry, or propose sponsorships. On the other hand, project manager can use his/her position as appointed by Skål International to develop a PR or direct marketing plan by using business card and relationship in those environment.

## **7.2 Promoting the project**

As introduced, this project is mainly based on Skål International guidelines and Vietnam government legal and procedures. While thinking to find a good promoting channels for the project, it is to consider the beneficiaries and target customers.

The MOCST and MOFA are the two main ministries in authority to Skål International project in Vietnam. As long as their decisions of supporting the project that leading by the ministers, government agencies including VNAT and VUFO will automatically involve and responsible for helping and promoting the project locally.

As already mentioned, social media offers a variety of possibilities, such as informing and binding the customer. This means that Skål International Vietnam could make advertising on Skål website, magazines or Club member's brochures. Information about special events and news from travel and tourism industry as well as the official information from Skål International on Facebook fan page to arouse the customer's interest.

It is also possible to build a website with the domain: [www.skalvietnam.com](http://www.skalvietnam.com). Starting fee of 200 € for example, the information could be found various online with: <http://www.top10bestwebsitebuilders.com/>.

The main purposes are providing information to current and potential members, and promoting and market the organization. The web is considered mainly a means of communication purpose, first is to inform and second is to promote. Skålvietnam.com after build up will allow targeting customers to interact with Skål International Club Vietnam, like submit request for newsletter, provide information and application finding, etc. (For more details, please see Chapter 7.)

Skål International Club Vietnam could also offer benefits and opportunities for those who are willing to join as founding members; the information about the project could be expanding within their friends or networks as PR, and WOM marketing.

Skål International Club Vietnam is searching for new members, it could follow their target customers through social media activities and acquire what demographics they are? And what methods could be using to communicate with them?

It is necessary to campaign through forum and social network such as Facebook and LinkedIn which the target group uses but also to advertise in places where they visit or travel. To raise their attention for Skål International, and Skål International Club Vietnam, it could be a possibility to advertise there or to do some kind of cooperation with Vietnam Airline and make an advertisement on Heritage magazine. In that way the local and attention and knowledge for the Skål International, especially for the new project in Vietnam.

### **7.3 Segmenting and targeting**

As guided in Chapter 3, Article 3.1.2, Skål International Club Vietnam should segment mainly on the four biggest cities like: Ho Chi Minh City, Hanoi, Hai Phong, and Danang. Additionally, some famous tourist provinces like Hue, Nha Trang, Quang Ninh, Quang Binh, Phan Thiet, .etc where members are also considered for joining the

new club. In order to meet all the Statutes of Skål International, professionals and well-known companies and organizations in travel and tourism industry like five stars hotels, resorts, golf courts, corporate travel agents, congress and convention center, etc. and persons who holding a high position in such the companies among the industry.

Likewise, Skål International Club Vietnam could work on its general degree of brand awareness, as it is mostly known by people who work and live in Vietnam. From the author point of view, a budget for certain marketing activities is inevitable and the Skål International headquarter in Spain should be aware of the lower degree of awareness of Skål International project in Vietnam.

Skål International Club Vietnam's internet strategy targeted young customers, and this market is online and uses mainly to get information, connect with friends and business purpose. Besides targeting customers on the internet, in traditional media and in places where they go and where they spend time when travelling or working, the club could also use famous and popular blogs, or giving the bloggers the ideas and the ability to write "nice recommending stories" of the organization and its activities. Travel and tourism professional groups on LinkedIn comparable to certain target customers follow.

## 7.4 Media and non-media plan

After outlining all the tools presented in the IMC shows in Table 4 above, it is time to distribute all of them all long the campaign's period.

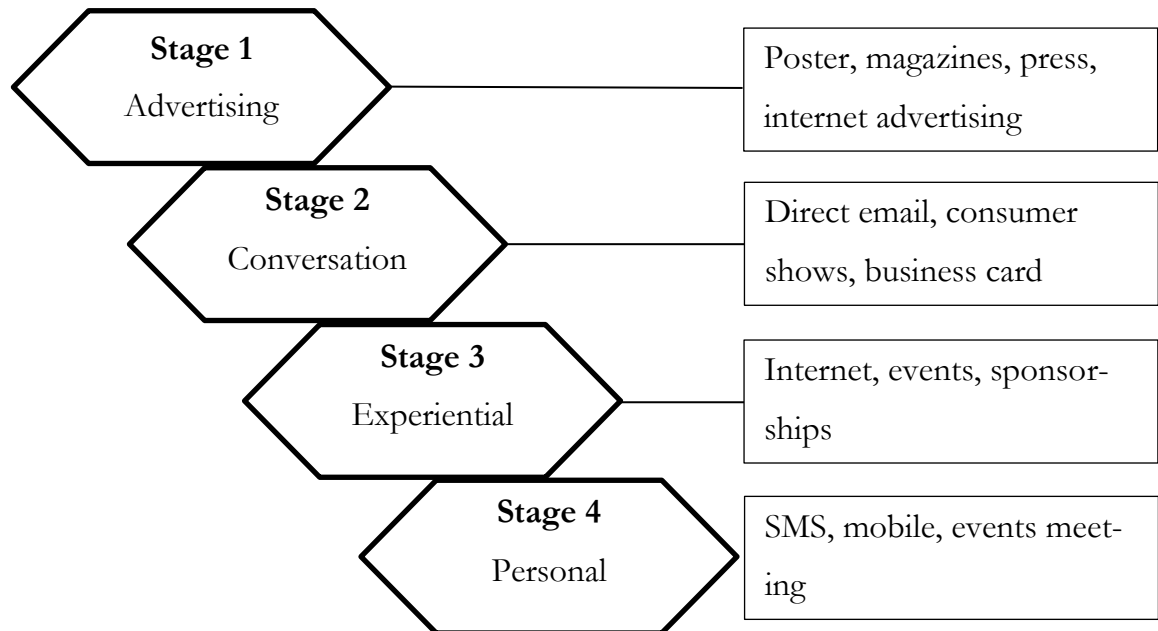


Figure 6. A media map of the launch campaign. (Adapted from Clow & Baack 2012.)

### 7.4.1 Advertising plan

The role advertising plays varies by organization, products and services, and the organization's marketing goals. In B2B sector the advertising often includes trade shows and personal selling. When making an advertising program, an organizations has to decide if they use an in- house advertising group or an external advertising group. Advantages to make advertise in-house are for example: lower costs, consistent brand message and better understanding of product. Outside agencies on the other hand have access to top talent and give the company an outsider's perspective. Sometimes the outside agencies can also be more cost reducing when in-house employees spend more time on campaigns and ad design than an agency would (Clow & Baack 2012, 134-135.)

The most important thing in an advertisement is to be noticed and remembered. Then the message should lead to some kind of action for example purchase, or at least find a

place in the buyer's long-term memory. Providing information is important in advertisements for both customers and business buyers. Typical information is business location and more detailed product specifications. (Clow & Baack 2012, 143-144.)

Selecting the right media requires an understanding of the media - usage habits of the organization's target market. In B2B would advertise in the trade journal or business publications would be profitable. Many marketing experts think that continuous advertising through the year is the best alternative. This will keep the brand name always in front of consumers. (Clow & Baack 2012, 146.)

Advertising campaigns that are designed for an international audience require an understanding of the various language and cultures that might be involved. (Clow & Baack 2012, 150.)

Global advertising is the use of the same advertising appeals, messages, art, copy and photographs for worldwide suitable. In developed countries, newspapers are declining as internet usage rises. There are messages behind every color and it is important to consider the psychology of colors when designing marketing materials. Colors influence to our behavior so an organization should consider the impact that the colors has on the target audience.

For less money it is able to attract the same number of customers, and that the use of traditional forms of advertising. Advertising campaign on the web site allows accurately controlling the costs of advertising and its effectiveness. This is especially useful if organizations spend a campaign in another region and indirectly control the placement of advertisements.

There are literally hundreds of vertical and horizontal electronic trading platforms available on the internet. These sites allow for only a nominal fee to get access to a large potential customers from all over the world. If an organization has a web site before it was only a matter of prestige, but now the internet is an innovative and effective tool for all types of businesses.

Internet is the main source that Skål International Club Vietnam can reach to its target customers, it is possible to make an advertising on their website: [www.skalvietnam.com](http://www.skalvietnam.com) (if applicable), and through social media platforms. Furthermore, Skål International Vietnam can also focus on the magazine advertisement if Skål International agrees as a sponsor for the project campaign.

A QR Code can be placed on Skål magazines, leaflets during events or workshop or on business cards. Furthermore, it could also be put on product packaging or labels, billboards or even walls. When creating a QR Code, the following file formats can use: HTML code, PNG file, Tiff file, SVG, EPS. QR Code generators are available on this website: [www.qrstuff.com](http://www.qrstuff.com), [www.qrcode.kaywa.com](http://www.qrcode.kaywa.com), [www.quikqr.com](http://www.quikqr.com), .etc.

In order to encourage target customers to like Facebook fan page, place the profile as the URL and encode into a QR Code. It is common sense for “Image-based hypertext link”, QR Code can be used offline by scanning with applications like: Red Laser, Barcode Scanner or QR Scanner, .etc (applicable for all smartphones: iPhone, Android, Samsung or Blackberry .etc.) In addition to website address, a QR Codes may contain a phone number, text messages or special information that can reach to target customers with determination. (Whatisaqr.com 2014.)

In conclusion, some of the tools that are recommended can help in calculating with more accuracy the results of the campaign by using specific metrics as below:

- Advertisement on Skål website (preferably in mid-June).
- Advertising on Skål Magazine including QR Code (Immediate)
- Social Media: Facebook and LinkedIn advertising from June to get followers, and targeting customers.
- Newsletters and invitation: members and applicants submitted (Immediate)
- Workshop and sponsoring with the purpose of engaging with the local authorities, go through government procedures and to attract target customers.  
(Planned)

Table 9. Media and Non-media Plan

Media							
Facebook	June	Jul	Aug	Sep	Oct	Nov	Dec
Facebook							
LinkedIn							
YouTube							
Advertising							
E-Newsletters							
Non-media							
Workshop							
Sponsorships							

#### 7.4.2 Social media plan

Nowadays, almost every person is connected to a social media platform and uses it regularly, meaning that in this media tool is a lot of potential. Plus, almost everyone uses a smartphone nowadays, which enables persons to stay connected to the social media platform no matter where they go.

As a result, Skål International Club Vietnam could try to align its marketing efforts to this group of people under consideration of the facts mentioned above.

And of course, the target that Skål International Club Vietnam is aiming, most of them use social media tools as a daily basis, via computer, smartphones and tablets. This behavior is still growing and makes it a powerful way to promote.

##### ❖ Facebook fan Page

For detailed information about what Facebook is please see Chapter 5, Article 5.1.1. Facebook. It has been seen in the theory as an important social media network as well as other social media in an e-marketing strategy. One of the recommended social media networks of the author is Facebook.

The results of the questionnaire showed that Facebook is one of the most popular types of social media. Due to this reason, the author recommends that Skål International Club Vietnam should use Facebook to reach its partners, customers and contacts. It is also suggests that Skål International Club Vietnam should use it as an organization as well as the project manager should use it personally, because he/she is representing the organization and managing the project.

#### ❖ Advantages and disadvantages

Skål International Club Vietnam can use Facebook to enhance its brand. Using Facebook can help to build the image of Skål International Club Vietnam as a reliable, innovative and trust worthy. Facebook offers an easy way of keeping in touch with contacts and with Facebook many people can be reached at the same time.

On the other hand Skål International Club Vietnam probably will not be able to gain new customers or not that present in Facebook as in other types of social media. Also as in every social network it is possible that users may post negative things on the site which can harm the image of the organization, as well as the project.

The Facebook site of Skål International Club Vietnam should be updated at least every second day. The project should select one employee that is responsible for the site, because different people working with Facebook could cause confusion. If customers or contacts post or ask something on the “wall” of the site Skål International Club Vietnam should reply within 24 hours to keep them satisfied.

According to previous research base on Social Media users in Vietnam, the best time to act on Facebook are when people starts a working day (8.00 – 8.30 am), lunch breaks (12.00 – 13.00), early evening (16.00 – 18.00), late at night (21.00 – 23.30), and especially during the weekend.

#### ❖ Facebook page for project manager

It is very easy to create a profile on Facebook, one just have to visit the website and follow the several guiding steps. Project manager should create the profile by



her/himself or should be present when it is created as it is important that he/she is consent with everything shown on the profile and the settings of the profile.

For the information at her/his profile they should state that she/he is working at the moment for Skål International Club Vietnam as a project manager but also in the detailed information state that he/she is appointed by Skål International. As she/he will mainly using Facebook to reach business contacts. The author would like to point out that stating things like who she/he is interested in, if she/he has a relationship or not and his religion are not important and do not give a professional impression. The languages she/he is speaking should be stated. It is also possible to give contact information on the profile like email, address and work phone number.

The profile should definitely include the official Skål International Club Vietnam email address. The picture that will be shown as profile picture should not be a private picture on the beach or party but a professional looking profile. As title picture, a picture that is connected with Skål International Club Vietnam could be used also.

The author recommend that by using Facebook profile to add business contacts as “friends”, because then it is easier for project manager to keep in touch with them and they can see updates status. On her/him “wall” she can share posts from Skål International’s Facebook fan page and comment to them. The author also advise that the posts messages or photos and places where she/he is visiting exhibitions, workshops or congress and other professional activities.

Project manager should check her/him profile every day to see if she/he had received messages to which she/he should reply as soon as possible. Important messages updated on Skål International Club Vietnam’s Facebook fan page should be posted on project manager’s profile as well.

The fan page gives an identity to the organization on Facebook, and this Facebook tool will help to obtain relationships with the target customers.

As Skål International Club Vietnam is planning to have a fan page on Facebook, so the suggestion is that they need to keep that in continue updating with special information, giving news of Skål International, etc. In order to do that, the page continues to spread and publics get to know them.

Publicity plays an important role, because companies are able to choose what they want to direct your publicity inside the public sector. Facebook tool is great help to obtain a quick answer of the customer maybe of a specific campaign or some specific information and opinion in a certain geographic target area. Skål International Club Vietnam may use this tool in order to get information of their consumers and clients, which other social media nets they are using, what they want to hear in the future, etc.

#### ❖ LinkedIn

This social media tool is a net focused in a more professional way to publish jobs and also find them. As previous recommendations, Skål International Club Vietnam should also have a profile in this social media channel too.

And the general suggestions for this social media profiles are to include the name and an image in the avatar, personalize the professional title (in this case the workers titles), add job history (what Skål International had done?), use the company name in the URL: [linkedin.com/company/skalinternationalclubvietnam](https://www.linkedin.com/company/skalinternationalclubvietnam), and connect this account with other travels, tourism groups or organizations that might potentially become a member of the new club in the future.

Targeting options on LinkedIn can estimate of the customers of whom Skål International Club Vietnam want to reach, for instance: location, industry, age, .etc. Moreover, LinkedIn groups like: Travel and Tourism Industry Professionals, World Tour Operator Vietnam Manager Connections, Saigon Business & Social (Vietnam), Vietnam Business & Investment Group, Vietnam CFO Club etc. seems to be perfect channels for spreading the project campaign information.

#### ❖ YouTube

YouTube is not only a tool that gives the company a way really important to interact directly with the customer, also is a meaning of commercialize its content. Skål International already has a YouTube account, and they had made the first big step in this tool. The promotional DVD – English version was uploaded on 31<sup>st</sup>, May 2010, and it seems a bit old and not up-to-date.

The challenge is that keeping this account fresh with new videos in order to give the customers something to watch. Past videos should not be erased, let people get to know the activities in previous years. Key words in the title, tags and descriptions should be correctly used; this will help a lot in the spread of the video(s). Similarly, the use of other social media tools to spread the video.

#### ❖ E-Newsletter

Skål International Club Vietnam often issue newsletters for internal communication with their members. This indicates an inefficient use of this opportunity to disseminate information to customers and partners. Therefore, the Skål International Club Vietnam needs to study on this.

Since many users often forget to check for updates on the social media or they just do not need to logon it, then it is better if the project manager includes all the information that it wants to deliver in the newsletters.

The author noticed that there are many types of newsletters should use as for news, information about the club, the government decision, activities, workshop or events etc. The newsletters should have appropriate format, for example size of the letters and highlighted headings are perfect. As well, style of organization's newsletters is suitable to read, for example all topics are thematically separated and almost everywhere there are supporting figures. And last but not least, newsletters consist of all needed information, news and proposals.

The author also want to recommend Skål International Club Vietnam to make all the information in the one style and each next page should be the identical the previous, it will make perception easier for the receivers.

### **7.4.3 Event marketing plan**

With the purpose of reach the target group that Skål International Club Vietnam wishes, they should organize events that can involve this kind of customers, also promoting this events or simply themselves mostly in social media tools or organize a workshop in Hanoi.

#### **❖ Workshop**

The purpose is meeting with local authorities, member of MOCST and Ministry of Internal, discuss and go through the government procedures and regulations. Moreover, most of the target customers are willing to attend the workshop in order to get general information, and to discuss all about the benefits of joining the club, and becoming founding member's opportunities.

Event details should show the list of hard information about the workshop. This is not the only to answer various questions about target customers and sponsors, but it is also the opportunity to show how Skål International organized the workshop. The even should including the following information: date and time, location, attendees, target demographics, cost, parking and transportation.

#### **❖ Grand opening ceremony**

To gather together top 20 after benchmarking process, which are chosen as founder members of the Club? Skål International Club Vietnam is able to organizing first Skål Club Vietnam meeting – the meeting will be preferred as the workshop or grand opening day depending on the application processing time of the new club.

Grand Opening Event of Skål International Club Vietnam will be the big event of the new club, where President of Skål International will be attending. Invitation will be

sending to all Skål International members, and clubs. Guests might have to register as RSVP to attend the event that will be organized either in Hanoi or Ho Chi Minh City.

## **7.5 Sponsorships proposal**

Before organizing the workshop, the project manager may possibly design a sponsorship proposal in order to get fund from participants or sponsors for advertisement, others costs and especially the grand opening ceremony in the end.

The sponsorship proposal is designed to send to all Skålleagues, any members club, or who interested in becoming sponsors for Skål International Club Vietnam in order to build a sponsor funds for the project all together with its marketing plan. The sample sponsorship proposal should be well-designed, including the following information: opportunity for sponsors, audience's information, benefits, creative implementation, and call for action.

Name:

Skål International

Address:

Email

Tel:

## **Amendment Sponsorship Proposal**

Dear Sir/Madam,

It is a great pleasure to present you with the sponsorship proposal for the Skål International Club Vietnam with the following details:

### **Skål International Vietnam Project**

Skål is an international professional organization of tourism leaders in the world, which promoting global tourism and friendship. It is the only international organization which brings together all sectors as inbound and outbound, research and development,

and education institutions of the travel and tourism industry. Skål International representing the tourism industry's managers and executives. Skål members meet at local, national and international levels in an environment of friendship to discuss subjects of common interest under the umbrella of Skål International, headquartered at the General Secretariat in Spain.

Skål International project in Vietnam is strongly supported by the Government of Vietnam, under Minister of Cultures, Sports, and Tourism – Mr Hoang Tuan Anh.

### **Theme of the project**

Establish a new club in Vietnam

### **Beneficiary**

The purpose is to funding for the project in Vietnam under scheme of marketing plan. Mr/Ms, who is appointed as project manager takes responsibility for the fund, he/she have to report all the financial activities to Skål International Secretariat.

### **Event details**

Date	Saturday, 29 <sup>th</sup> November 2014
Venue	
Time	10.00 am – Registration
	10.15 am – Project
	11.00

### **Fee**

<b>Total Guest</b>	150 attendees (majority Hanoi and Ho Chi Minh City), and others 30 international guests (expected)
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### **Sponsorships opportunities**

Platinum Sponsorship	1 (Euro 2000)
----------------------	---------------

<p>Benefits</p>	<p>Prominent sponsorship logo on the website: www.skalvietnam.com, in the e-flyers, banners, posters, bulletin and LCD screen projection during the event, post media PR and publica- tion.</p> <p>Name might be mentioned at the event.</p> <p>5 invitations for attend the Grand Opening Ceremony, and the Club's dinner. Other post opportunities for co-operate branding and sponsorship activities.</p>
<p>Gold Sponsorship</p> <p>Benefits</p>	<p>3 (Euro 1000)</p> <p>Sponsorship logo on the website: www.skalvietnam.com, in the e-flyers, banners, posters and bulletin</p> <p>Name mentioning at the event</p> <p>2 invitation to attend the Grand Opening Cer- emony, and Club's dinner</p>
<p>Silver Sponsorship</p> <p>Benefits</p>	<p>4 (Euro 500)</p> <p>Sponsorship logo on the website: www.skalvietnam.com, in the e-flyers, banners, posters</p> <p>Name mentioning at the event</p>
<p>Co-operate sponsor</p> <p>Benefits</p>	<p>10 (Euro 100)</p> <p>Sponsorship logo in banners, posters</p> <p>Name mentioning at the event</p>

## Payment

## Contact

It is our hope that you will lend your utmost support to this event and our sincere appreciation for your kind perusal and consideration. We are looking forward to your confirmation by latest 15<sup>th</sup> June 2014.

Yours faithfully,

Skål International

P.O. Box 466, 29620 Torremolinos, Spain

Tel: 34 95 238 9111 Fax: 34 95 237 0013

Skype: skalint

E-mail: skal@skal.org

Website: www.skål.org

Table 10. The Template List of Sponsors

Name	Company	Website	Email
Official Airline			
Official Hotel			
Official Media			
Official PR			
Official Transport Provider			
Official Venue for G.O Ceremony			



## 8 Budget and Timetable

The project budgeting and timescales is designed to be reviewed, potential re-planted, developed and being updated in order to follow the project plan.

After analyses and find out the problems, this chapter will come up with a financial plan and a list of all planned expenses for interview, website build-up, as well as consultant persons, event marketing, co-operate branding advertizing etc. (by suggestion if the new club needed).

### 8.1 Budget

All activities of Skål International Club Vietnam will primarily funded by membership fees after the establishment under the by-law of Skål International. However, before that, project manager has to find some sponsors in order to cover all the marketing plan expenses. The estimation cost for this project is estimated approximately up to 6 500 € equal to 190 Million VND (XE May, 2014), including administration fee, website build-up, all together with promotion activities.

Table 11. Cost Estimation and Project Budgeting.

	<b>Budget 2014</b>	<b>Current situation</b>
<b>Revenue</b>		
Skål support	500,00 €	
Sponsors	6 000,00 €	
<b>Total</b>	<b>6 500,00 €</b>	
<b>Expense</b>		
Administration	600,00 €	
Website	200,00 €	
Workshop	500,00 €	
Grand opening	5 000,00 €	
Others expenses	200,00 €	
<b>In total</b>	<b>6 500,00 €</b>	Estimated

The budget of Skål International Club Vietnam is directly tied to the action plan and promotion activities; therefore it will be made before as estimation.

## 8.2 Timetable

Because of the communication barriers, as well as project planning the author expect at team of at least three persons. One project manager as appointed by Skål International, who as the main contact person of the project in Vietnam will take responsibility for contacting local authorities, government agencies to deal with several legal procedures. Two project coordinators, one responsible technical for promoting the project and the other for members

The expectation processing time may be up to six months, until the Grand Opening event of Skål International Club Vietnam is organized. Plan on the establishment of representative office in Vietnam is consulted to set up as below:

Table 12. The project planning timetable

<b>Time and Date</b>	<b>Task setting</b>	<b>Action</b>	<b>Deadline</b>
<b>June</b>	Project making-up	Project manager	Immediate
<b>July</b>	Project processing	Project manager	Ongoing
	Procedures for personnel, mobilization of finance	Team up	Ongoing
<b>August</b>	Consulting opinions from COMINGO and VNAT	Project manager	Immediate
	Advertising and promoting	Team up	Immediate
<b>September</b>	Conduct project	Skål	Consulted
	Application	Project manager	Ongoing
<b>October</b>	First meeting with members	Team up	Consulted
<b>November</b>	Workshop	Skål	Ongoing
	Grand Opening Ceremony	Skål	Ongoing

## 9 Conclusions and Future Studies

Based on the research findings and creativity following proposals and after discussions are solutions for strategic planning. Since then, the conclusions and future study will come afterward with interaction proposal, etc...

### 9.1 Conclusions

Even if establishing an NGO is relatively easy tasks on papers, making it viable and successful is a totally different thing in different countries. However, the project plan presented here is made to facilitate the establishment process for Skål International Club Vietnam and there will be no guarantees that will be carry on in the future according to the changes in legal procedures and business environment over times.

The biggest challenge of Skål International Club Vietnam is to establish its position as trust voice in the travel and tourism industry, and become a good network for the professionals, and managing positions in the sector. While the project is only on paper, the author may not sure whether the GoV, especially local authorities such as PACCOM, VUFO, COMINGO, and VNAT would get involved in the project with strongly assistance and support or not.

In case of successful, Skål international would be a door opening for strengthens nature development, and increase co-operation, opportunities for education and development field, comprehensive high-level relation between not only the GoV, but also companies, organizations, and professionals who are working the travel and tourism industry.

To make Skål International Club Vietnam working and meaningful for members to join, it needs to organize enough high quality events, and activities to provide incentives. However, the payment of total 203€, including 43.00 € per member for one year membership fee, and 160.00 € for entry rights seem a bit high in this case. Therefore, sponsorship funds are highly recommended to make the project run efficiently. In a

slightly scenario, the number of members is twenty or over. The Association would have possibility to establish and celebrate by a grand opening ceremony.

At a closing note, the product of this thesis might be altered by Skål International, modify for future scheme. It needed to be kept in mind that the rules, action plan and bookkeeping tool are made individually, whereas usually associations are built by several people, all having their own ideas and goals.

## 9.2 Future study

Establishing a NGO in Vietnam requires a full understanding of the key characteristics that will be important to the funders. They include a vital mission, clear lines of accountability, adequate facilities, reliable and revenue streams, high-quality programs and services. The legal procedures and further fulfillments should be taken into account beforehand too.

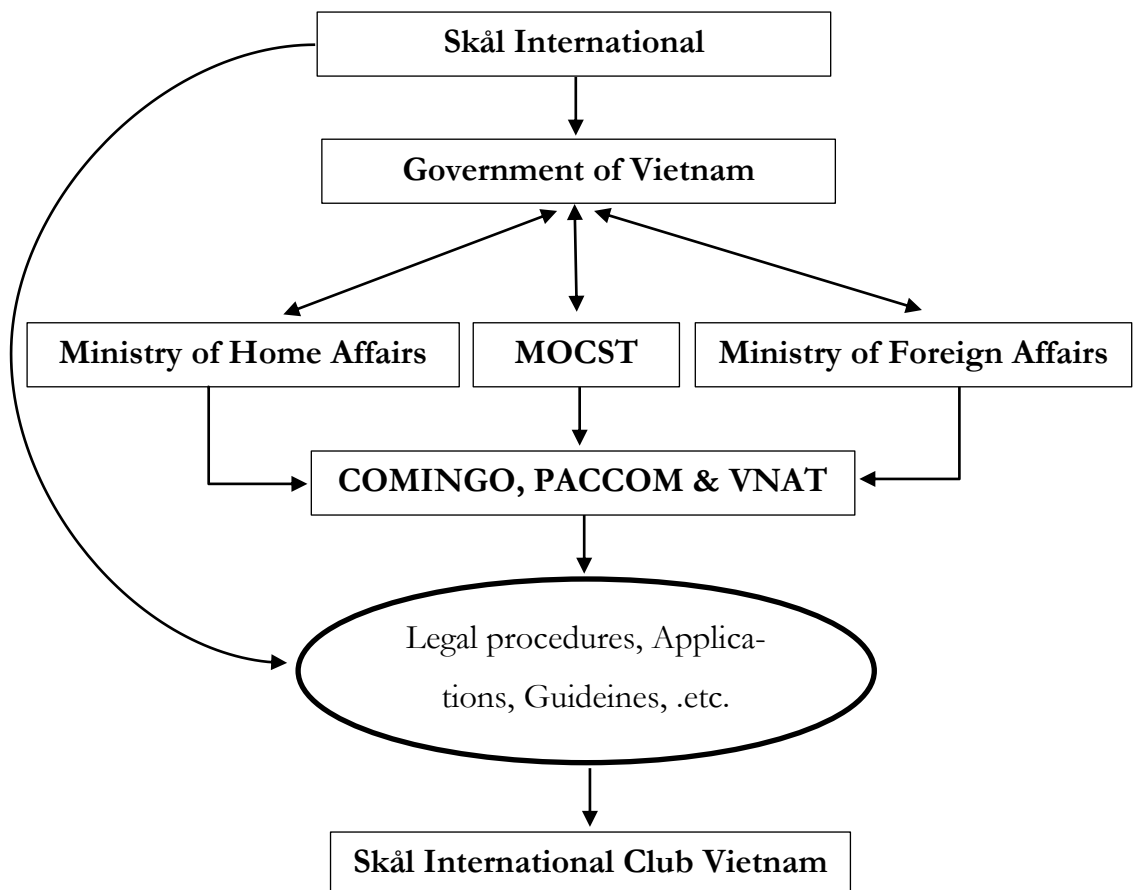


Figure 5. The Formation Guideline for Skål International Club Vietnam.

After get on the first step of legally incorporating Skål International Club Vietnam, drafting the club bylaw, and building a board of directors, it is important to keep in mind these characteristics following. As a part of the process of establishing a NPO in Vietnam, here are ten tasks we need to be accomplished:

- File the certificate of incorporation
- Select the committee members
- Develop vision, mission statements, and action plan
- Obtain an employer identification number
- Open a bank account and establish check signing procedures
- File for state tax exemption
- Follow state and local non-profit organization regulations
- Find an office space and obtain a personnel manual
- Establish a payroll system
- Develop an overall fundraising plan. (Foundation Center 2014.)

### **9.2.1 Procedures guideline**

INGOs' activities in Vietnam and their administration by the Government of Vietnam are managed by Government Decree No. 12/2012/ND-CP, which came into effect on 1<sup>st</sup> March, 2012. This Decree replaces the Decision No. 340/QD-TTg, dated 25<sup>th</sup> May, 1996 of the Prime Minister. (VUFO-NGO 2014.)

After get approved by Executive Committee of Skål International, Skål International Club Vietnam can be formed with least 20 members/founding members. Six positions need to be voted among official members of Skål International Club Vietnam in order to run a new club is: National President, International Councilor, National Secretary, National Vice President - Communication and PR, National Vice President – Membership Development, and National Treasurer.

The procedure describes here will be a case to open new clubs in Vietnam and in similar countries where the state is strongly involved with establishments of NPOs in tourism.

### 9.2.2 Application guideline

Follow the Decree 12, here is a template of application guidelines for Skål International Club Vietnam.

The application should contain:

1. Cover letter written by project manager including: (\*)
  - a. Name of the organization, mission and vision, business activities, headquarter address in Vietnam, properties, number of founding members, membership's application following local government procedures.  
Members from Ho Chi Minh City, applications including signatures.
  - b. The Decision on Recognition of The Skål International Club Vietnam  
Canvassing Board issues by Ministry of Internal Affairs
  - c. Action plan in details
  - d. Curriculum Vitae of the project manager
  - e. Proof of confirmation of Skål International headquarter
  - f. Asset declaration of founding members
  - g. Charter of the Skål International Club Vietnam
2. Number of application: 2 photocopies
3. Processing time: 30 working days

### Permit for the Establishment of Representative Offices in Vietnam

**Name:** Application for Certificate of Registration of Skål International Club Vietnam

**Implementation units:** The Committee for Foreign NGO Affairs

**Fields:** Certificate

**Steps of performing**

Step 1: Prepare for application procedures
Step 2: Apply to PACCOM office

	Time to apply?
	Step 3: Collect at PACCOM office
	Time to collect?
<b>How to perform</b>	<p>Apply to PACCOM headquarter in Hanoi, address: 105A Quan Thanh or Southern Representative Office in Ho Chi Minh City - No 9 Le Duan Boulevard, District 1.</p> <p>Application could be send by post and email: info.paccomm.org.vn, or apply in person directly.</p>
<b>Number of files</b>	<p>Application must have:</p> <p>Cover letter of the project manager should be written in English, Vietnamese or French.</p> <ol style="list-style-type: none"> <li>1. (*) as mentioned above</li> <li>2. Attachments</li> </ol>
<b>Processing time</b>	<p>30 working days from the date of announcement handling time, for complex cases, the processing time may expand but no more longer than the date of announcement handling time.</p>
<b>Subjects to Organizational Procedure</b>	
INGO	
<b>Procedure Administration Agency</b>	
	<ul style="list-style-type: none"> <li>• Competent Agency: The Committee for Foreign NGO Affairs (COMINGO)</li> <li>• Implementing Agency: The People Aid Co-ordinating Committee (PACCOM)</li> </ul>
<b>Result</b>	License for Opening Representative Office
<b>Fee</b>	No
<b>Declaration form</b>	No

**Requirements**

INGO is licensed legally to operate in a country or territory outside Vietnam.

INGO which have programs, action plans and specific project with a clear budget in accordance with the development orientation of Vietnam at the time apply for operate license. INGO commit to comply with provisions of the law of Vietnam.

**Legal basis**

Decision No. 12/2012/QĐ-TTg, dated 1<sup>st</sup> June, 2012 of the Prime Minister

Decision No.64/2001/QĐ-TTg, dated 26<sup>th</sup> April, 2001 of the Prime Minister



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## **Attachment**

### **Attachment 1: Letter from Skål International Headquarter**

Dear Skålleague,

It is with great pleasure that we have learnt of your interest in helping us with the formation of a new Skål Club in.....We have pleasure in outlining hereunder all the necessary details for the formation of a Club there. If you require any further information or if we can personally be of any help to you in the formation of the new Club, please do not hesitate to contact us.

1. We would like to draw your attention to the following points which it is necessary that you bear in mind when proceeding with the formation of the Club:

(a) Skål is an Association of Tourism Professionals based on friendship. Article II of the Statutes contains the mission and principles which define, perfectly, the spirit and ideals of the Movement.

(b) Article I, Section 1 of the By-Laws defines the qualifications for membership and also states that: "Active membership in Skål is limited to those persons who hold a managerial or other responsible position in the travel and tourism industry. They must be full-time personnel and must be actively engaged in sales and/or promotion of international tourism. These persons must have a minimum of three years' experience in the travel and tourism industry" (in any position). It is imperative that no derogation be made from these definitions.

It is hoped that in order to maintain a balance, you will try to recruit members of both sexes representing all the categories stated. The nucleus you form must consist of a minimum of 20 active members. Skål membership is open to all tourism professionals.

2. In order to help you with the formation of the Club, we are sending you the following documents:

- (a) Statutes of Skål International:  
<http://skal.org/sites/default/files/media/Restricted/MOA/Documents/en/general/legal/statutes2014.pdf>.
- (b) By-Laws of Skål International:  
<http://skal.org/sites/default/files/media/Restricted/MOA/Documents/en/general/legal/by-laws.pdf>
- (c) A useful booklet "What is Skål?" which will help to understand and promote our Movement and which gives a brief history of Skål from its foundation, its goals and objectives today:  
[http://skal.org/sites/default/files/media/Public/Web/PDFs/doing\\_business.pdf](http://skal.org/sites/default/files/media/Public/Web/PDFs/doing_business.pdf)

3. In order to form the Club, we require that you send us the following documents duly completed:

- (a) Model Statutes for a Skål Club:  
<http://skal.org/sites/default/files/media/Restricted/MOA/Documents/en/general/legal/club.pdf> which should be followed as closely as possible, as far as laws in your country permit. Please print this document and complete the spaces in blank in Article 1, section b) and c) and Article 20. Two copies of the proposed Statutes for the new Club duly signed by the President and Secretary of the proposed Club should be forwarded to us.
- (b) Membership Proposal Forms:  
<http://skal.org/sites/default/files/media/Public/Web/PDFs/MPF.pdf>, one of which must be completed legibly by each founder member in one of the three official languages (French, English or Spanish) and returned to us. Please make as many photocopies of this form as required.

N.B. The founder members do not have to be proposed or seconded but the above forms must be signed by the provisional President and Secretary.

- (c) Form 2 on which you should indicate the Provisional Committee (President, Secretary, Treasurer, PR & Communications, Membership Director Officer) and return to us.
- (d) List of founding members
- (e) Payment of Euros 43.00 (forty-three Euros) per member for one year membership fee and one off payment of Euros 160.00 (one hundred and sixty) for entry rights.

Once we receive the above documents they will be examined by the General Secretariat. When the file has been completed and all requirements met the General Secretariat will recommend the formation of the Club to the Executive Committee of Skål International. The number of the Club will be given when everything has been approved. We look forward to receiving the complete documentation at your earliest convenience.

We hope this information will be of help and we remain at your entire disposal for any further clarification you may require.

Please do not hesitate to contact us if you require any further information or if you wish to receive any promotional material in order to motivate the people there to join Skål.

Kind regards and Skål.

Yours sincerely,

Ana Maria Vera

Secretariat & Translations

Skål International, P.O. Box 466, 29620 Torremolinos, Spain

Tel: 34 95 238 9111 Fax: 34 95 237 0013

E-mail: [skal@skal.org](mailto:skal@skal.org)

Web site: [www.skål.org](http://www.skål.org)

## **Attachment 2: Letter of Authorisation – Template**

### **Letter of Authorisation**

Skål International - The International Association of Travel and Tourism Professionals, hereby appoints Mr/Ms....., as authorized Project Manager/Project Coordinator for the formation of Skål International Club in Vietnam.

In this function he/she will work on a voluntary basis, reporting to Director Statutes and Special Projects Asia - Mr. ....on any matters that require clarification. He/she may provide monthly progress reports. All matters in accordance with the Statutes must be put before the Executive Board for ratification.

Mr /Ms.....may subjects to sponsorships funds and create liability on behalf of Skål International with the aim of promoting the project in Vietnam.

This authorization is valid for six months with effect from the date of his/her appointment and shall be extended subject to his/her satisfactory performance.

Yours sincerely,

Skål International

Skål International

President of Skål International

Director Special Project Asia

## **Attachment 3: Rules of the Association – Translation**

### **SKÅL INTERNATIONAL CLUB VIETNAM**

#### **RULES**

##### **1§ Name of the Association**

The official name of the Association is Skål International Club Vietnam and its domicile is Hanoi (or Ho Chi Minh City).

The official language of the Association is English and Vietnamese.

##### **2§ Purpose and Activity**

The purpose of the Association is to connect active members in the travel and tourism industry, and to support its current activities.

In order to fulfill its purpose, the Association may:

- organize assemblies, festivities, and other events
- make statement and mentions
- keep in touch with Skål International as well as its club's members
- participate in events organized by Skål International, and other members' clubs if applicable
- 

In order to support its activities, the Association may:

- establish funds or sponsoring
- receive grants, contributions and wills
- fundraising and possible kinds of festivities and reaction events
- own properties and securities necessary for the activities

##### **3§ Members**



As a general rule, a person who hold a managerial position and has worked in the travel and tourism industry at least 2 years may join the Association as an Active members. Young Skål members for whom working or studying in the industry as young to be at least 18 years old and not older than 29.

The applications must be accepted by Skål International, applicants may suggested by Active members or Young Skål and they are required to pay membership fees as mandated by Skål International Club Vietnam.

The meeting of the Association may called National Assembly or Club Meeting.

#### **4§ Resignation and Expulsion of a Member**

A member has the right to resign from the Association by informing the Executive Board or its Chairperson in writing or by giving a notice of the resignation at any Meeting of the Association.

The Executive Committee may expel a member who has failed to fulfill the obligations to which he/she has committed him/herself by joining the Association. (e.g paying the membership fee) or by her/his action within or outside the Association has substantially damaged the Club's reputation, or no longer meets the conditions for membership laid down by law or the rule of the Association.

A member becoming an official elected or an employee of Skål International Club Vietnam shall be considered as resigned.

#### **5§ Membership Fees**

The amount of annual membership fee shall be collected from the members, for each membership category separately is decided by the Annual Meeting of the Association.

Voluntary members shall not pay membership fees.

## **6§ Executive Committee**

The Association is represented by the Executive Committee, consisting of six members: President – as a Chairperson, an International Councilor, a Secretary, a Treasurer, and two Vice President.

The Executive Committee shall be elected from among its members during Annual Meeting, every year.

The Executive Committee convenes when the President, or his absence the Vice President deems it necessary or when at least half of the members of the Executive Committee that demand.

Votes shall be decided by simple majority. In the event of a tie, the President shall have the casting vote. In an election, the appointments shall be casted by drawing lots.

## **7§ Signing the Name of the Association**

The Chairperson of the Executive Committee has the right to sign the name of the Association, others members of the Executive Committee are cooperatively.

## **8§ Fiscal Period and Auditing**

The fiscal period of the Association shall be considered as one calendar year. The financial statement with its required documents and the annual report of the Executive Committee shall be handled to the auditors 20 working days at latest before the Annual Meeting.

The auditors shall give their assistance or report in writing to the Executive Committee 10 working days at latest before the Annual Meeting.

## **9§ Meetings of the Association**

The Annual Meeting shall be held annually on the date agreed by the Executive Committee between November and December.

An unusual Meeting of the Association shall be organized when the Meeting of the Association therefore decides or when the Executive Committee consider it acceptable, or when at least on tenth (1/10) of the members of the Association entitled to stress matter notified by him/her. The matter shall submitted in writing to the Executive Committee.

The Executive Committee shall within 20 working days on acceptance of the demand to organize an extraordinary meeting.

At the Meetings of the Association, all members are entitled to one (1) vote. The decisions shall be those that supported by over one half (1/2) of the casted vote. In a case of a tie, the President has the casting vote – in elections the appointment shall be cast by drawing lots.

### **10§ Convening of the Meetings of the Association**

The Executive Committee shall convene the Meetings of the Association 20 working days at latest before the Meeting by letters sent to members or by e-mail.

### **11§ Annual Meeting**

The following topics shall be handled in the Annual Meetings of the Association:

1. Opening the meeting
2. Electing the Chair, a Secretary
3. Declaring legality and a quorum
4. Accepting the agenda
5. Presenting the financial statement, the annual report and the auditor's report
6. Deciding on adoption of the financial statement and discharging the members of Executive Committee

7. Approving the action plan, budget and the amount of membership fees
8. Electing the Chairperson and other members of the Executive Committee
9. Handling all matters presented in the invitation to the meeting

Whether a member of the Association wishes to have matter to be handled in the Annual Meeting of the Association, he/she shall be inform the Executive Committee in writing so that all issues relating can be included in the invitation to the meeting.

### **11§ Amending the Rules and Dissolution of the Association**

The decision on changing the Rules and Dissolution of the Association shall be made at the Meeting of the Association with minimum three quarters (3/4) of the cast votes supporting the motion. The invitation to the meeting need mention about the amendment of the Rules and Dissolution of the Association.

In the event of dissolution, the assets of the Association shall be used to promote the purpose of the Association in a way dictated by the Meeting of the Association that decided on the dissolution.

## **SKÅL INTERNATIONAL CLUB VIETNAM**

### **1§ General Goals**

During 2014, Skål International Club Vietnam, hereafter referred as The Association aims to promote and make the Association to be known within Vietnam through companies, organizations and professionals who are working in the travel and tourism industry, as well as recruit the board members of 6 superlative persons.

### **2§ Events**

The Association may organize two separate events.

Workshop: Skål International project in Vietnam. This event is mainly with the purpose of meeting with the local authorities, introducing with audiences on Skål International, its project in Vietnam, and opportunities to join and become a member of Skål International Club Vietnam.

The Grand Opening Ceremony. This event may be considered as important, which organized after fulfill all the requirement of Skål International and Certificate of Operation

### **3§ Representation**

Skål International may appoints a project manager to work in Vietnam, as authorized as a contact person who will responsible for the project and deal with such kinds of legal procedures. If possible, a project coordinator also be appointed to help the project manager

The Association builds and maintains contacts with government agencies like COMINGO and VNAT for further supports and assistances.

#### **4§ Publicity**

The Association may public its webpage: [www.skalvietnam.vn](http://www.skalvietnam.vn) (as planned), developing and updating information to make it becomes official channel providing information for communities, members as well visitors beside Facebook fan page and LinkedIn.

Gathering professional information and developing membership directory.

Receiving and answering questions of whom interested in joining as new member, and finding business opportunities among Skål International members.

The Association may provide, and sending members with e-newsletter about activities, information of the Association and Skål International events.

#### **5§ Financing**

Skål International Club Vietnam may acquire a bank account (preferably, well-known worldwide banks like HSBC, ANZ or City Bank). Access has the right to the account given to the Chairperson and Treasurer of the Executive Committee.

In addition to membership fees, the Association will find more sponsorship opportunities.